EUROPE'S BUSINESS NEWSPAPER

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NEWS SUMMARY

GENERAL

Dutch unions step up campaign

Dutch unions representing 700,000 public employees stepped up their protest campaign against a cablnet proposal to cut their wages by 3 per cent from January 1.

As the Government reaffirmed

that it was not prepared to make further concessions, workers planned to hold more strikes affecting key services and more demon-

Dutch railways has already lost about Fl 25m (\$8.3m) in fares and Fl 30m as a result of the postal strike. The action is costing the country about Fl 40m a week. Page 2

Grenada head ili

economist named two weeks ago to head the island's temporary government, will be unable to take up the post because he needs four months. ment, will be unable to take up the post because he needs four months of medical treatment in Geneva. \$375.525. In Frankfurt it fell \$0.25 to \$375.5 and in Zurich it fell \$0.75 to \$275.75.

Parliament blasted

A bomb exploded in Bolivia's parliament causing considerable damage but no casualties. No one has claimed responsibility.

Puzzle over goods

computer equipment that the U.S. • AUSTRALIAN stock markets said was being smuggled to the Soviet Union. Two weeks ago four containers of equipment arrived from gained 11 to 733.2. Report, Page 31; South Africa.

Lionel Carden, self-confessed killer • GHANA'S Western aid donors

of a Paris policeman and wanted in made pledges totalling some \$150m connection with an earlier double for next year at a meeting in Paris chaired by the World Bank. The Dreyfus and journalist Annette after wounding another policeman.

Doubt on cosmonauts gramme in April.

Soviet coverage of Vladimir Lya-khov and Alexander Alexandrov's return to earth after 149 days in or-bit caused survived and the state of the stat bit caused surprise among western analysts and raised speculation • MEXICO plans to run a current about their health.

Poverty for 700m

Almost 700m people in the rural areas of developing counties live in absolute poverty, a Food and Agriculture Organisation report said, and there is "a little reason" to believe conditions are improving.

Syria bans reporter

Syria expelled Agence France-Presse correspondent Michel Garin for reporting that Syrian President Hafez Al-Assad had suffered a

Laws anger Basques

Basque nationalist politicians reacted angrily to tough anti-terrorist (\$170m). Page 21 laws which Spain's Government is ANOUE BRID lence rather than less.

Briefly . . .

Fire at Esso's Antwerp refinery, Belgium, caused \$500,000 of dam-

East German border guard slipped into his jogging suit and made a dash over the border to West Gerdash over the border to West

Turkish Premier Bulend Ulusu-re- based bullion dealer Mase Metals. signed as the new parliament pre-pared to convene. Page 2

pared to convene. Page 2

Queen Elizabeth II awarded Mother Teresa the Order of Merit for her work among Calcutta's poor.

BEAZIL'S leading private exporter and sugar trader, Costa Pinto group, filed for court protection against bankruptcy. Page 20 work among Calcutta's poor.

BUSINESS

Lawson tries to dampen tax fears

No. 29,181

• UK CHANCELLOR Niget Law-son reacted to industry leaders' cri-ticism of his autumn statement by ing confidence that tax levels would be cut during this parliament. Page 20

UK imports surged in October, winging the current account of balance of payments into a deficit of nearly £279m (\$396m). Page 7

© DOLLAR rose to DM 2.7085 (2.6935), FFr 8.2325 (FFr 8.2), SwFr 2.179 (SwFr 2.1725) and Y235 (234.4). Its trade-weighted index was 128.8 (128.4). Page 39

● STERLING fell 40 points to \$1.465, rose to DM 3.97 (DM 3.96) and FFr 12.0575 (FFr 12.0425) and

\$375.75. Page 38

• LONDON: FT Industrial Ordinary index gained 2.4 to 726.8. Government Securities eased; falls of ½ in longs were later clipped by %. Report, Page 35; FT Share Informa-tion Service, Page 36, 37

● TOKYO: Nikkei Dow index fell 43.02 to 9,373.54. Stock Exchange index lost 1.7 to 688.96. Report, Swedish customs officials are examining a second consignment of changes, Page 34

WALL STREET was closed for the Thanksgiving holiday.

money is in addition to some \$600m already committed by multilateral institutions since the introduction of an economic recovery pro-

account deficit of \$1bn next year as part of its strategy to stimulate recovery, Page 3

• SWEDISH talks between the Government and special steel-makers collapsed, dashing hopes

for a restructuring of the industry. • GILMORE STEEL of the U.S. dropped most of its anti-dumping complaint against Belgian and West

German hot-rolled and carbon steel plate sales in the U.S. Page 20 GENERAL MOTORS is heading for a net loss in Britain this year of about £53m (\$78m) compared with a

loss of £38.7m in 1982. Page 29 ● ASEA, Sweden's electrical group, nearly doubled its profits in the

first nine months to SKr 1.35bn BANQUE BRUXELLES Lambert to rush through parliament, and Belgium's second largest bank, said they would lead to more vio raised dividends 21.3 per cent for the year after a 17.5 per cent rise in net profits to BFr 1.67bn (\$30.4m).

● CHRYSLER is considering several manufacturing alternatives, in-cluding a link with Mitsubishi, to meet the possible challenge of a • WESTPAC BANKING, Australia's biggest private trading bank, has acquired 75 per cent of Sydney-

HERR Horst-Dieter Esch is a born optimist. Even as he announced he was stepping down as head of the tottering IBH building machinery empire, he was considering his future. He thought he might try some-thing in the U.S., where there was more room for someone of his entrepreneurial skill.

Herr Esch, who is just 40, clearly feels be is the victim of a inddy-dud-dy West German system, in which big banks give too little cash to bright young men with good ideas. Not that he thinks he has made no mistakes himself in his breath-taking eight-year dash to stardom and notoriety. Wedged against a grand piano in the bar of a Frank-furt luxury hotel, he dispassionately went over his errors.

For one thing, Herr Esch said, ex-pansion of his group had been very last. Modernisation of rationalisation, especially of the range of products, had not fully kept pace. He had not always been able to put in a ement team quickly

COLLAPSE CLOSER AFTER TALKS RULE OUT RESTRUCTURING

Optimist Esch leaves failure of IBH empire behind him

BY JONATHAN CARR IN FRANKFURT

The final collapse of IBH, the stricken West German construction machinery group, drew closer yesterday with the resignation of its founder. Herr Horst-Dieter Esch (right). Discussions between the group's bank creditors and major shareholders - including General Motors of the U.S., Powell Duffryn and Babcock International of the UK and Saudi Arabian interests - had ruled out Herr Esch's bid to keep IBH's main operations together. His plan, which involved the disposal of the group's French and Brazilian interests, depended on IBH's creditors writing off 60 per cent of its debts. IBH, which had become one of the world's largest construction machinery groups in the eight years since its formation, had declared itself insolvent following the failure of a small private bank to which it owed around DM 1bn. Details, Page 20; Editorial comment, Page 18

Herr Esch thus acknowledged a lised in taking over companies in criticism made by many analysis as difficulties, for little if any money, he built up one of the world's big- then trying to put them on an even

enough to deal with the problems of gest machinery groups, with annual the troubled companies he sales of more than DM 2bn (\$743m). in less than a decade. He specia-

keel. Sometimes his management changes were very quick, despite his self-criticism. A few executives were sacked on the day he took

Herr Esch also admitted he had

underestimated the length and of just over DM 2bn and capital of depth of the world recession. He DM 110m, was saved from the brink had expected the upswing which of collapse at the start of this was now emerging about a year month. Its total risk exposure to earlier. He implied that many of his IBH amounted to about DM 300m. problems would have been eased With more than a hint of bitterness, machinery sector in particular.

But his biggest failure, he said,

IBH debacle as "mere rhetoric."

IBH had had no problems gain-

businesses he was taking over had German problem. a poor name. But he felt sure the Many German bankers scoff at big banks would come in later, especially when he won shareholders selves they know a "whizz kid" with the status of General Motors when they see one. But one senior (which has nearly 20 per cent of Frankfurl banker admitted yester-

per cent). He was wrong. As a result, Herr Esch admitted

with stronger economic growth and. Herr Esch described the big banks' a fairly quick surge in sales in the expression of shock at the SMH-

But his biggest failure, he said,
was his inability over eight years to
win the support of the big German

The ueoacre as mere threshold.

IBH had had no problems gaining support from banks in other
countries where the group operatbanks. He had understood their res- ed, including France, Britain and ervations about him at the start Brazil, he claimed. It was, Herr when he was little known and the Esch said sorrowfully, a specifically

IBH) and Powell Duffryn (with 13.2 day there was something in what per cent). He was wrong.

As a result, Herr Esch admitted "In the 1950s," he declared, "Esch

he had become very heavily in-volved with one smaller bank above ing the economic miracle, and we all Schröder, Münchmeyer. Hengst would probably have been proud of (SMH). The bank, with total assets him. Times change."

Andropov intensifies pressure on West with new weapons

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT, IN LONDON

THE SOVIET UNION will step up its threat to Europe and the U.S. by stationing new weapons in Eastern Europe and in the "oceans and the seas", Mr Yuri Andropov, the Soviet President, said yesterday. He also declared that Moscow

considers further participation in the Geneva talks to limit nuclear weapons "impossible," following the arrival of new U.S. nuclear missiles

in Britain and West Germany.

Mr Andropov's statement, which
was read for him on Soviet television yesterday evening, is the first
official comment following the Soviet walk out at the Geneva arms control talks on Wednesday. Mr Andropov blamed the U.S. for the failure of the talks and said the to has increased by about 60 to 243

tastrophe upon the people of Eu- lation of new short-range nuclear night, ignored the threats implied As continuation of the talks could Czechoslovakia. "only serve as a cover for the ac-

in these talks impossible," he said. Mr Andropov's statement, howparallel Geneva talks to reduce

strategic weapons (Start), which that the only change to the existing Western diplomats are therefore as-suming will continue.

During the past few months Soviet leaders have consistently threatened retaliation if Nato went ahead with new missile deploy-ments and Western officials claim there is little to surprise them in the Andronov statement Mr Andropov announced abroga-

tion of the 1982 freeze on the deployment of Soviet SS20 missiles in western Russia. In fact, U.S., offi-cials say the freeze always referred only to the construction of new SS20 bases, a programme which they believe is now complete. The numbers of SS20s facing Na-

deployment of new cruise and in the past 18 months. danger that the U.S. will bring ca- Moscow would accelerate the instalmissiles in East Germany and

Nato believes this programme tions of the U.S. and a number of has been under way since the late other countries...the Soviet Union 1970s. It involves the replacement considers its further participation of some 250 Frog and 280 Scud missiles, which have ranges of up to 300km, with new SS21s and SS23s, ever, contained no reference to the which have ranges of up to 500km. Western officials said yesterday

Soviet programme would be SS22s, which are to replace the older SS12s, in the Soviet Union, were also deployed in Eastern Europe.

What does appear new is Mr Andropov's specific reference to the deployment of additional sea-based weapons. These are presumed to be the means by which Moscow would increase its threat to the U.S. Senior U.S. officials point out,

however, that the Soviet Union already has submarine-launched ballistic missiles off both U.S. coasts which could strike targets deep inside the U.S. in the time - about 10 minutes - in which a Pershing 2 could reach the Soviet Union from James Buchan writes from Bonn:

Germany, in a speech in Bonn last in the Soviet statement and ap-pealed to Moscow once again to return to negotiation

Herr Kohl said in a toast for the visiting French President, M Francois Mitterrand: "Our emphatic wish is that, despite the news from Moscow today, the negotiations will continue in Geneva or elsewhere. Continued on Page 20

Argentina urges go-ahead on loan

By Jimmy Burns in Buenos Aires and Peter Montagnon in London

SR BERNARDO GRINSPUN, who will be economy minister in Argen-tina's new Government, made a strong plea to international banks

yesterday to go ahead with a \$500m loan drawing next Wednesday.

"I think it would be a great pity if the loan was delayed," he said in an interview in Buenos Aires. "I want to make it quite clear that once we are in government we will make ev ery effort to reach an agreement with the banks because we don't want anyone to go bankrupt. "We shall work with good faith

and warmth towards a solution of Argentina's debt problems. His plea coincided with a new tel ex from leading creditor banks to all Argentina's bank lenders asking them to agree to the drawing next

The money will be used to repay an earlier short-term loan and to rearrears

more than \$500m. A few creditor banks have yet to agree to the drawing, mainly because of the debt service arrears and because Argentina has yet to sign rescheduling agreements worth 56bn for about 30 of its public sector agencies.

Despite this the Argentine re-quest to draw a first \$500m instal-Continued on Page 20 | terday in Damascus that they actighten their security precautions

Israel releases 4,700 prisoners in PLO swap

BY DAVID LENNON IN TEL AVIV AND PATRICK COCKBURN IN BEIRLIT

guerrillas and Lebanese prisoners yesterday in exchange for six Israe-li soldiers who had been held by Mr l'assir Arafat's loyalist Palestine Liberation Organisation forces in Lebanon's war-torn northern town f Tripoli.

Israel agreed to the unprecedented step of emptying the Ansar prisoner of war camp in southern Lebanon of all its 4,700 inmates because of fears that the Israeli soldiers might be killed if the PLO rebels overran the loyalists' positions in

In Tripoli aides to Mr Arafat, the chairman of the PLO, hailed the prisoner exchanges as a victory.

Officials in Jerusalem denied that camps in the south of Lebanon re-the agreement included the grant-joiced at the release of prisoners. ing of a safe passage to Mr Arafat if he decided to leave the beleaguered city by passing through the Israeli any link, Some 3,000 of the Ansar prison-

opted to go to Algeria were flown out from Tel Aviv on three Air

France jumbo jets.
Meanwhile the Syrian-backed

ISRAEL released 4,700 Palestinian cepted an indefinite ceasefire and guerrillas and Lebanese prisoners would settle their differences by peaceful means.

The rebels had previously said that their ceasefire would run out on Saturday and they would re-sume their assault on Tripoli if Mr Arafat did not agree to leave.
Prince Saud al-Faisal, the Saudi

Foreign Minister, said that agreement had been reached in the Syrian capital to end the fighting and practical details are now being worked out.

Mr Arafat agreed to proposals in principle on Wednesday which included his departure from Tripoli. The relaxation of tension in Tripoli came as Palestinians in refugee

Mr Yitzhak Shamir, the Prime Minister of Israel, admitted that the naval blockage of Tripoli. An aide of heavy price" to pay for the six Is-Mr Arafat also denied there was raeli soldiers, but the threat to their lives left him with no option

Senior Israeli officers said vester ers were released to their homes in day that there was a danger that Lebanon, while another 1,100 who many of the released prisoners would return to active duty with the PLO. The fact that thousands of fresh guerrillas would now be wandering around Lebanon meant that rebels fighting Mr Arafat said yes- the Israeli forces would have to

Fokker to build new short-range airliners

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT, IN LONDON FOKKER, the Dutch aerospace business for Rolls-Royce through to manufacturer, is to develop two the end of this century.

new airliners to replace its existing

Rolls-Royce is also

F-28 Fellowship jet and its F-27 turbo-propeller aircraft. The new jet will be the twin-

engined Fokker 100, seating up to 109 passengers and designed to fly distances of about 1,200 nautical miles. The new turbo-prop will be the Fokker 50, and will also be designed for short-range operations. The aircraft they replace have for many years been best-sellers in the world airline industry, the F-28 sell-

ing more than 200 aircraft and the F-27 more than 750. For the new Fokker 100, the Dutch company has awarded Rolls-Royce a contract for 100 of the new R-R Tay jet engines, worth about £290m to the UK company during the next 10 years, including spares and other support costs.

Rolls-Royce is also discussing other applications for the engine, including re-engining some existing BAe One-Eleven twin-jet airliners. One eventual possibility is a military application for the Tay, although this has not yet emerged.

The Tay, which has a 13,550 lb take-off thrust, is now being developed at Rolls-Royce's Derby works, and is expected to run on the testbed next year. It is due to enter service with the Gulfstream IV at the end of 1986, and with the Fokker 100 airliner in 1987.

Mr Raiph Robins, director of civil engines for Rolls-Royce, said yes-terday be believed the company would eventually sell well over 1,000 Tay engines worldwide, worth more than £2bn, including spares. The development cost of the en-This follows the order for 200 Tay engines announced some time ago Rolls-Royce, would amount to about for the U.S. Gulfstream IV jet aircraft, and sets the Tay well on the of production of engines for airline

re-sells

By Alan Friedman in Rome

OLIVETTI, the major Italian data processing equipment group, yes-terday said it had fully placed the 33 per cent share stake held previ-33 per cent share stake nem previously by nationalised French interests. The placing, which involved 100m Olivetti shares with a total value of L350hn (\$219m) was completed only one week after the oper-

Included in the 33 per cent placing is just under 10 per cent taken by CIT-Alcatel, the French telecommunications subsidiary of the nationalised CGE conglomerate. On November 2, CIT-Alcatel and Olivetti sealed a commercial and industrial co-operation agreement in Paris which will provide for the joint production of a new generation of electronic typewriters in France. CIT-Alcatel thus has 28m shares

representing some 25m shares, has been acquired by CIR and by the De Continued on Page 20

Olivetti big stake

out of Olivetti's 302m in issue. An 8.3 per cent stake in Olivetti,

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E. German overture

to Bonn

By Leslie Colitt in East Berlin

EAST GERMANY has signalled its intention to continue co-operating with Bonn despite the Bundestag vote to deploy new U.S. missiles in West Germany.

Neues Deutschland, official Communist newspaper said East Germany would strive for "co-operation, peaceful joint actions and disarmament " while refraining from confronta-tion and from a policy of

East Germany favoured improving Warsaw Pact defences and would "make its contribu-tion." It has said it will pay at least part of the cost of installing new Soviet missiles in East Germany in retaliation for the

Representatives from East Germany and West Berlin have held their first meeting since the Bundestag vote on Tuesday evening. Negotiations were held in West Berlin with the aim of transferring operation of the city's urban rail system from East Germany.

The East German Reichsbahn has operated the elevated S-Bahn in West Berlin since 1945 under allied authority, but no longer wants to subsidise the loss-making system. It would like to lease the railway to West Berlin which has agreed to modernise the crumbling net-work using more than DM 1bn (£259m) from the Bonn Govern-

The mild East German reaction does not preclude retalia-tory moves over the missile vote. However, its current economic worries are such that it could ill afford a worsening of relations with Bonn.

The West German Government has repeatedly said it will not guarantee a further bank loan to East Germany unless the latter takes steps to ease contacts between ordinary East

Spotlight falls on Stockholm conference

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

THE BREAKDOWN of the Geneva talks have brought the European disarmament conference, due to begin here in January, into the spotlight. It would offer a natural stage

for a renewed diplomatic and propaganda offensive by both superpowers. Officially titled the Conference

on Confidence and Security: Building Measures and Disarmament in Europe, the meeting will be attended by nearly 400 delegates from 35 countries all the European states except

security and co-operation which was started in Helsinki between 1973 and 1975.

The Soviet decision to walk out of the Geneva intermediaterange missiles negotiations makes the Stockholm conference more important than ever, Mr Lennart Bodstrom, Sweden's Foreign Minister, said yester-

A preparatory session has already been held in Helsinki to help draw up an agenda for the meeting, which could last for at least two years.

Discussions in Stockholm are expected to concentrate more specifically on matters of mili-tary security than did any of the It is one of the most tangible results of the three-year European Security Conference follow-up meeting in Madrid, and is a further step in the process of building European security and co-operation which better exchange of information about the location of military installations and equipment.

Under the first Helsinki violate their airspace and terriagreement in 1975, for instance, torial integrity. torial integrity.

Sweden has already held milimember states are supposed to be informed of all manoeuvres he informed of all manoeuvies involving more than 25,000 troops within 250km of national borders at least 21 days in advance in order to reduce the

tary exercises to test the feasibility of shooting down cruise missiles in an effort to show that it can credibly defend its claims to neutrality in the case risk that troop movements could of war. For Finland, the situation is

even more delicate, given its ties to the Soviet Union in its treaty of friendship, co-opera-tion and mutual assistance. This Such exchange of military information, particularly about new installations and equipallows the Soviet Union to call for military consultations if it feels threatened across Finnish

This treaty was prolonged earlier this year for a further 20 years following a visit to Moscow by Mr Mauno Koivisto, the Finnish President. Mr Pagyo Vayrynen, the Finnish Foreign Minister, is due to visit Moscow on December 13, a visit that was arranged during the

Trudeau plan runs into criticism

expected. But it has also been

criticiser by some of the develop-

It seems unlikely that the

debate will be taken much fur-

ther before the end of the con-

ference next Tuesday. Even the

suggestion by Mr Kenneth Kaunda, the Zambian President,

that leaders of other Common-

wealth countries should accom-

be taken as a pretext for sur-

ment, raises sensitive issues of

checking and verification.
The Stockholm conference is

also especially important for

the Nordic countries, alarmed

about the deployment of new Nato medium-range missiles. Sweden and Finland in particu-lar, are concerned that cruise

missiles fired from central

Europe at the Soviet Union-and above all at the dense mili-

tary installations on the Kola

Peninsula-would

prise attack.

BY ROBERT MAUTHNER IN NEW DELHI

THE PLAN by Mr Pierre should sign the Nuclear Non-Trudeau, the Canadian Prime Proliferation Treaty (NPT).

Minister, to give a new impetus to the nuclear disarmament nego-should receive a cool reception tiations has become the subject from Britain, one of the world's of lively debate at the Common-five nuclear powers, was to be wealth heads of government

meeting.

In essence, he is proposing both that the level of the nuclear disarmament talks should be raised from that of technicians to the highest political plane and that non-nuclear developing countries should be nuclear powers to call on them nuclear powers to call on them

associated in the dialogue.

One of the key aspects is that, while the latter were themin order to breathe new life selves guilty of the proliferation into nuclear disarmament negotiations, there should be a trade off-between the nuclear powers and the non-nuclear powers. The former would agree not to increae their nuclear arsenals through new technological developments-indeed, they should strive to pany Mr Trudeau on his round-reduce them—while the latter, the-world misison to drum up

support for his plan, have fallen on infertile ground.

The four main points of the plan are as follows:

 A conference of nuclear powers should be called to dis cuss the stabilisation and reduc-tion of nuclear arms. This would ociate Britain, France and China with the two superpowers

Non-nuclear states should sign the NPT. There should be a direct link between disarma ment and development aid.

• More emphasis should be laid on the mutual and balance force reduction talks in Vlenna • The testing and deployment of anti-satellite systems operat-ing at high attitudes, which have not yet been fully developed or deployed by either superpower, should be banned. The excessive should be banned. The continental bal-mobility of intercontinental bal-should be missiles should

Hungary 'will cut debt despite trade outlook'

BUDAPEST - Mr Matyas Timar, president of the Hungarian National Bank, said his country will be able in both 1983 and 1984 to chip away at its hard-currency debt bill of some \$7.3bn despite this year's drought and sluggish world econo-

both years." Mr Timar said. Hun-point, however, such countries have gary's efforts to cut indebtedness and bolster its trade balance are the keystones of a concerted campaign to regain footing after last year's liquidity crisis.

A combination of external factors at the time led to a sharp drop in said. the National Bank's deposits, forc- In the case of future borrowings, surplus has put a heavy strain on ing a crisis which eventually re- Mr Timar said Hungary will draw the domestic economy, however,

Turkish banks takeover

THE TURKISH Cabinet yester- few weeks whether their serday authorised the state-owned vices are still required. Ziraat (Agricultural) Bank to Meanwhile the Ziraat Bank take over the assets of three insolvent private banks, in the Treasury to pay of the three

approved by cabinet

Mr Trudeau: lively discussion of his plan at Commonwealth

could occur again. It had been this year. caused mainly by the sudden with-drawal of several million dollars in could "strengthen" its relationship deposits held by certain "oil-produccountries and countries at war "Our net indebtedness will fall in in the Middle East," he said. At this "very little" in deposits left in Hungary, he said.

banks' debts. Any assets remain-ing will be distributed to share-

The three banks became insolvent after a savings crash last year and their fate appears to have been sealed by pay-

quired a bail-out by Western central the last remaining tranche of a with investments cut and consump-\$600m credit from the International Mr Timar doubts that the crisis Monetary Fund (IMF) by the end of

> He said he hoped that Hungary with the IMF in addition to efforts to continue relationships with commercial banks for procuring bankto-bank funds and syndicated cred-

been steadily rising since the crisis, but still have not recovered to the 1982 will be "slightly" surpassed in 1983 and further improved in 1984.

The campaign to widen the trade

were "high enough" and that "we don't plan any changes for the months ahead." Interest rates in Hungary are set

lifted as high as 14 per cent. He

added, however, that these levels

by the National Bank in line with domestic needs and foreign trends, and are then approved by the Coun-Mr Timar was sceptical about

prospects in the near term for Hun-ing to appreciate the distinctions in gary's most ambitious and most Eastern Europe's various econ-publicised monetary project, the ef-omies. AP-DJ

fort to make the forint the first East bloc currency fully convertible with western currencies.

First steps were taken several years ago, but Mr Timar said he did not believe it would happen as early as 1984. The situation isn't ripe, he said. There are too many prob lens with the world financial sys tem at this time.

but it's been delayed," he said. Commenting on Hungary's general efforts to maintain its reputaion with Western bankers, he said he believed that bankers are com-

tion tending to stagnate, Mr Timar noted that domestic interest rates had been raised "considerably" in 1983 with key rates

"It hasn't been put off the agends

Missiles top **Mitterrand** agenda with Kohl

By James Buchan in Bonn

PRESIDENT Francois Mitterrand of France arrived in Bonn yesterday for a 24-hour visit which will be dominated by the collapse of the Geneva Although the centre-right

government of Chanceller Helmut Kohl used its parliamentary majority to endorse deployment on Tuesday night, the debate has split the country. M Mitterrand, constantly invoked in the Bunderty debate as a Socialist destag debate as a Socialist "chief witness" for deploy-ment and against the opposi-tion Social Democrats (SPD). can never pave peen so

Both Bonn and Paris are pushing themselves forward as intermediaries between the great powers to entice the Soviet Union back into

negotiations. The issue is made complex by Moscow's argument that nuclear weapons in France (and Britzin) mean that the present Western deployment present Western deployment is a new twist in the arms spiral, instead of a U.S. susswer to the Soviet medium-range missiles. This view is echoed by part of the SPD and of public opinion.

After some false starts,

Bonn now recognises that it cannet press France to discuss cannet press France to discuss its nuclear forces with the Soviet Union. But it has supported a project, also raised by M Mitterrand at a speech before the UN in September, for a conference of all five major nuclear powers.

Expert opinion in Bonn is not enthusiastic about such a mammoth enterprise and suspects anyway that Moscow only emphasised the third-country forces to justify its hestility to Nate deployment and—now that has begun—its walk-out from the Geneva

However, this view holds that any dislap of good will could help Moscow "out of

In addition, Boun and Paris desperately need to close their positions if htere is to their positions in mare to be any progress in tying up the "package solution" of urgent EEC problems, start-ing with the Athens summit next month and the French community presidency next

There are certain to be differences of opinion aired over monetary compensatory amounts, which are supposed to neutralise the effect on farmers' incomes of currency changes and thus work in the West German favour, and over Boun's increasing efforts to protect its steel industry from subsididsed competition, not least from France.

Swedish hopes for restructured steel industry dashed

BY DAVID BROWN IN STOCKHOLM

Government and specialty steelstructuring of the industry rolling mills.
which was to have gone into Based on a government fineffect at the start of next year. ancing package worth some which was to have gone into effect at the start of next year. Mr Thage Peterson, the Indus-try Minister, said the Govern-ment could not extend the ment could not extend the agreet in principle to the second special financing and loan writeoffs envisaged under the plan large companies. The first, a
without assurances that the smelting and sheet company,
steelmakers would take responwould have an estimated 30 per sibility for expected losses over the next decade.

steelmakers would take responsibility for expected losses over the next decade.

Leaders of the special steel rolled strip and welded tubes, would have taken a 22 per cent market share. The second, producing cold-rolled strip and welded tubes, would have taken a 22 per cent market share.

From the start, the weaving together of four traditionally rival companies—Avesta, Uddeholm, Fagersta and Sandvik was francht with problems it industry had proposed to guarantee losses of up to SKr 350m (£30m) and to take col-lective, rather than individual, responsibility for the two new companies which would have been formed under the restructuring proposal.

The industry has been suffering from weak demand and over-capacity. Last year, it had overall losses of SKr 400m on sales of SKr 5bn, with 75 percent of turnover generated abroad.

this year that the crude steel ter said new ideas on requirements of four companies restructuring from the Govern-could be met by three, or per-ment were possible.

FALKS BETWEEN the Swedish haps even two, production units. Similarly, cold-rolled strip and makers collapsed yesterday, sheet requirements could be dashing hopes for a broad re- met by four of the existing six

SKr 700m, partially tied to plant shutdowns, the steelmakers agreed in principle to merge

was unclear which production units would be closed down and how marketing would be reorganised. The two new companies would be highly dependent on the owners to absorb the con-tinuing losses.

Both sides were at pains yes-terday to emphasise the "doors A government special steels are still open" for further dis-commission concluded earlier cussions. The Industry Minis-

Greece seeks EEC curbs on capital flows to U.S.

BY JOHN WYLES IN BRUSSELS

dreou, last night advocated EEC controls on capital outflows to the U.S. in an attempt to stimueconomic late E European

Unprecedentedly high U.S. interest rates, he said, were imposing "a tremendous drain of liquidity," which did not serve the interest of trade between the

"European savings, instead of being used for investment and restructuring in the European economies are used to finance the U.S. budget deficit." The U.S. must be prevailed

upon "by one means or another" to reverse its use of monetary policy of cover "enormous bud-get deficits," he said. As a first step, he urged "strict rules to limit the outflow of caiptal," through taxation or direct con-

He recognised that capital outflows could not be totally prevented but "even a common move by all European governwould be felt not only in do what was needed.

THE GREEK Socialist Prime Europe, but in the rest of the Minister. Mr Andreas Papan world including the U.S."

The majority of other EEC heads of government lead Centre-Right administrations and Mr Papandreou's proposal is likely to be given short shrift if he repeats it at the Com-munity summit in Athens next month. It was made in a wideranging speech at a dinner organised by the Centre for European Policy Studies which revealed that Mr Papandreon has been giving deep tohught to the problems of the European

He confirmed his disenchantment with the current Com-memity institutions but argued that the summit, over which be will preside, had the oppor-tunity to adapt the EEC to the interests of a membership which is now very different from the six founding states.

Mr Papandreou emerged as a "big budget" man, implying that his own Government's proposal to raise the ceiling on the Comments to protect their legitimate munity's budget revenues by interests would have a significant demonstration effect which not release enough resources to

Community in bid to end internal trade restraints

gress made since June to the about whether third-country mit which starts in Athens in ince days time.

Although all governments are attaching a new priority to "completing" the Committee of the about whether third-country goods satisfying EEC standards should be able to obtain Committee of the completing to the Committee of the completing to the Committee of the completing to the comple

ave been gathering dust for Adoption would have estab-lished an EEC type approval for motor-cars which might make it difficult for France to main-October 26, Ministers did agree in principle on a directive due to come into force a year after final adoption, simplifying some border formalities hampering the carriage of goods between

ment, governments have been country "unfair trading." naking some headway towards adoption of a single customs document for the EEC. The meeting will also be fooking for a breakfirmigh leading

EEC Trade Ministers will seek today to build on recently-established momentum behind the Ten's efforts to remove technical and other legal barriers to trade within the Community.

Some political pressure is being put on today's so-called Internal Market Council by the need to provide a report on pro-

amount be able to obtain Comcunity certification. France has
Although all governments are
attaching a new priority to
"completing" the Common Market, this has not made it a great
deal easier to sweep away techket, this has not made it a great deal easier to sweep away technical objections and pollitical opposition to many European Commission proposals which have been gathering dust for years.

tain current restrictions on car imports from Japan. But Paris might still block the 15 directives if France maintains a link with the proposed common commercial policy instrument for dealing with third-country "unfair trading."

Negotiations on this have stalled over the proposed was to be



ments delays on Kozanoglu Cavusoglu's contracting operaof Has Holding. Transactions in branches of all three have been suspended . Mr Bulend Ulusu, the Prime until Monday when they will Minister, offered his resignation reopen as branches of the to President Kenan Evren yes-

will be informed in the next time.

hands of the Treasury since last

The three banks are the

Hisarbankas and the Odibank, both formerly part of the

Kozanoglu Cavusoglu group, and the Istanbul Bankasi, part

LEGAL NOTICES THE COMPANIES (WINDING-UP) ACT, 1977

NOTICE OF WINDING-UP ORDER Ajax Insurance Company Limited Clarendon House, Church Street Hamilton, Bermuda The Supreme Court of Bermuda 1983: No. 74 Name of Company: Address of Registered Office:

Number of matter: Date of order: 17th November, 1983
Date of presentation of petition: 21st March, 1983 Appointment of Jaint Provisional Liquidators: Address of Joint Provisional Liquidators:

Attorneys for Joint Provisional Liquidators: PERSONAL

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Fianna Fail wins Dublin by-election

Ireland's opopsition Fianna Fall easily held the Dublin Central seat in a by-election caused by the death of Mr George Colley, a former deputy leader of the party, writes Brendan Keenan. The main government party, Fiene Gael, saw its vote drop by some 8 points from the 32 per cent it won in the general elec-tion a year ago. Party officials thought many of their middle-class supporters stayed away in protest at the government's tough tax and spending policies. The total pol was below 50 per cent.

Ziraat Bankasi. About 160 terday as the country's new branches and 2,800 employees Parliament met for the first Labour, the junior coalition partner, polled less than 2,000 votes out of a 33,213 total. There is considerable opposition in the constituency to Labour's participation in the coalition. Another suspect cargo

Swedish Customs are examining a second consignment of goods, this time in Malmo, which they believe is connected with computer equipment which the U.S. claims is being smuggled to the Soviet Union, the customs authority told Reuter in Stockhold yesterday,

Irish offshore well

Gulf oil said yesterday it has started drilling a first appraisal well in the Celtic Sea at the spot where it struck oil earlier this year. Reuter reports from Dublin. The well, some 30 miles off south-east Ireland, was spudded on Monday.

W. German rail cuts

West Germany's state railways plan to cut 70,000-80,000 jobs and close 4,300 miles of track by 1990 to try to stem increasing losses. Reuter reports from Bonn. The aim is to cut costs by 25 per cent and raise productivity by 40 per cent.

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Dutch Cabinet firm on pay cuts

BY WALTER ELLIS IN AMSTERDAM

THE DUTCH Government reaffirmed yesterday that it was not prepared to make further concessions to trade unions over public sector pay.

Mr Koos Rietkerk, the Home Affairs and Civil Service Minister, who is handling the public pay negotiations for the Government, said he saw no point in even continuing the discussions unless the unions were ready to concede the necessity for cuts.

The Minister won the support of a majority of MPs for his point of view, with Christian Democrat and Liberal members

Temaining effectively united in and halted most local transport in the Netherlands. There are to be more strikes affecting key services.

Public institutions have begun to count the cost of the double sector wages by 3 lost an estimated F1 25m lost an estimated F1 25m (£5.6m) in fares and some F1 30m as a result of the postal strike.

In all, the action is costing the country an estimated F1 40m a week. Strikers are also losing pay and could end up considerably worse off than if they had accepted Mr Rietkerk's cuts without a fight.

close the information tech-nology gap with the U.S. and

Information technology concern

BY PAUL CHEESERIGHT IN BRUSSELS EUROPE will not be able to

nology gap with the U.S. and Japan by competing mainly in information technology-oriented consumer goods, a senior West German official said yesterday. The consumer electronic game has already been played and its outcome was decided in the 1970s, Herr Uwe Thomas, director of the information technology division of the Federal Ministry of Research and Technology in Bonn told the annual conference of the Centre for European Policy Studies in Brussels yesterday. Brussels yesterday.

His warnig came against a background of increasing concern about the fragmented and relatively small information technology effort in the EEC. The sector has been undergoing rapid expansion, but EEC producers' share of a developing market has been groded.

New opportunities can be final adoption, simplifying some border formalities hampering the carriage of goods between member-states.

In the wake of this achievement, governments have been construction and process containing the carriage of goods between ment, governments have been making some headway towards adoption of a single customs adoption of a single customs. ducers' share of a developing market has been eroded.
What is economically important, Herr Thomas said, is to integrate information technology in the capital goods industry, to use it for generating productivity, for innovating to protect resources and to manufacture goods which do not damage the environment.

"We should contiune to manufacture first class colour television sets in Europe—but we should by no means make a second steel industry out of this sector if it should get into trouble," he commented, a week after the visit of an EEC mission to Japan to seek export restraint in the sector.

adoption of a single customs document for the EEC. The meeting will also be looking for a breakfirough leading to the adoption of 15 technical directives setting common standards for lifting gear, steel gas bottles, aluminium gas bottles, building materials and equipment, apparatus using gaseous fuels, electric lifts,

Iceland urged to maintain tough policies

MEASURES TAKEN by the Iceland Government to reduce the country's excessive inflation and its large external deficit " are in the right direction, but they represent only a minimum of what is necessary," claims the latest OECD annual survey of the island's

Earlier this year, inflation

in Iceland was running at

annual rate of more than 130

per cent and the country's current external deficit had

jumped to about 10 per cent

of gross national product,

Following the general elec-tion in April and a package of harsh economic measures in May, inflaton is now falling and Iceland's trading per-formance is improving. The OECD stresses. however, that the Government must continue with restrictive monetary and fiscal policies. Success in restoring more

stable conditions for viable growth over the medium term may well require a strengthening of anti-inflation policy and the perseverance with such policies over a prolonged period," says the

The May economic package included the suspension of wage-price indexation for two years, limited pay increases up to February, 1984, and a 14.6 per cent devaluation of the krona. The measures have had

over the whole year.

This loss of real incomes is expected to cut imports sharply, helping to relieve the pressure on the current account, and although the fish

their biggest impact on real personal incomes which could fail by as much as 13 per cent catch is expected to fall again this year, the OECD does

expect other exports to expand strongly with the recovery in world trade. inflation too has been falling and is expected to be down to an annual rate of about 36 per cent by the end of the year. The Government is aiming to bring inflation down below 10 per cent by the end of 1934.

According to the OECD, real GNP could fall by as

much as 6 per cent this year, but in its 1984 budget state ment the Government forecasts that the decline in GNP will slow next year with a fall of 2.5 per cent.



AMERICAN NEWS

Jamaica devalues by 57% against dollar

BY CANUTE JAMES IN KINGSTON

JAMAICA has devalued its currency by 57 per cent against the U.S. dollar in order to meet conditions for \$180m in new credits from the In- of 1985. ternational Monetary Fund

10r

Mr Edward Seaga, the Prime Minister and Finance Minister, announced that the new exchange rate will be J\$3.15 to one U.S. dollar. The devaluation has ended a threetiered exchange rate system which has operated since January.

The devaluation follows an im-

passe between the Government and the IMF over economic performance criteria for a three-year ex-tended fund facility scheduled to end next March.

The Government said it had met the criteria for the quarter ending September, and was eligible for the remaining \$80m from the facility, but the IMF disagreed with the methods Jamaica had used to compute its figures.

standby facility, will be drawn the IMF credit facility. down between January and March The Prime Minister I

fund is likely to simplify the island's efforts to obtain a new schedule for repaying about \$150m which is owed to several creditor banks.

quest for rescheduled payments, which is being co-ordinated by the Bank of Nova Scotia. The Government wants the loans, due between now and March 1985, to be rolled over into a single package maturing The devaluation will fuel a round

of price increases, pushing inflation well above the 18.5 per cent annualised rate for this year. Inflation last year was 6.5 per cent.

Fuel and food prices will jump, al-though Mr Seaga indicated that ment with the local business com-Government subsidies will be used munity.

The new loans, in the form of a to hold food prices until the end of

The Prime Minister forecast that the devaluation would increase The new agreement with the earnings from Jamaica's raw material and agricultural exports, and

It is the fourth time in eight years that Jamaica has failed to meet per-Mr Seaga did not refer to the re- formance criteria agreed with the

> The last occasion was in March, after which the Government applied for, and btained a waiver of the criteria. Releasing remaining tranches from the \$650m three-year facility granted in 1981.

> The Government has also scrapped requirements for foreign exchange quotes and import li-cences for the business community,

where he has been hased as a

U.N. official. The appeunce-ment was made to Govern-

ment leaders attending the commonwealth summit in

Geneva. It was not known yet whether the commonwealth

Cuban aid workers quit Nicaragua

from Nicaragua. The move was prompted by the Cuban leader Dr Fidel Castro's desire to lessen his country's involvement in Nicaragua following the inva-

News of the Cubans' depart ture was revealed on Wednesday by the New York Times and confirmed vesterday by sources in Nicaragua close to the Sandinista government. The Nica raguans have never given precise figures on the number of Cubans helping in teaching. civilian reconstruction, agricultural projects and in training the read forces.

However, there are believed to have been over 6,000, with some 2,000 acting as teachers. Dr Castro recently said that there were only 200 military advisers, though U.S. officials claim there

Cuban arms and personnel in

Grenada and the coup which overthrew the legal government of the island had created a dangerous situation that could have

spread throughout the region.

Pinochet sidesteps the minefield

BY ROBERT GRAHAM, LATIN AMERICA EDITOR, RECENTLY IN SANTIAGO

"BEFORE, we used to spray anti-Pinochet slogans on the 1,000 advisers and technicians we can do it during the day unhurried. This is about all we have achieved so far from the protests in Chile." This rueful comment comes from a student leader in Santago, who two months ago though: the sion of Grenada, Our Foreign end of the Pinochet dictatorship was close at hand. Now he is revising his opinion.

By offering a measure of liberalisation and astutely exploiting the weakness of his opponents, Gen Pinochet has bought himself a breathing space. After being badly shaken by the wave of protest that has swept Chile this year, he has recouped some support from among the middle classes, Government officials felt con-

fident enough to dismiss in advance last Friday's protest rally in Santiago, attended by some 200,000 people as having no more impact than a rowdy football crowd would have on

from a fragmented opposition grammes.

—political parties were banned in the wake of the overthrow of the late President Salvador the protest Allende — and have been in onwards s the wilderness for 10 years. They were caught even more unprepared than Chile's leader by the popular protest movement which began in May.

rades union movement, orga-nised by a new and younger leadership unconnected with the Allende era. The main figure to emerge. Sr Rolfo Segeul, head of the powerful copper workers' union, is aged

Soldiers guard a Santiago bank during a day of protest.

The political parties were at first swept along in the wake of the protests, but from August onwards sought to get on the bandwagon. The monthly pro-tosts became more formalised and ritualistic events, yet without any clear strategy or objec-uve. Differences of approach The protests originated in the emerged and now the Centre trades union movement, organised by a new and younger formed the Democratic formed the Democratic Alliance, are clearly alarmed at backing violent anti-Pinochet

Political differences were copper workers' union, is aged compounded by Gen Pinochet's appointment in August of the The stimulus for the protests former head of the Right wing

an unpopular referee.

Their attitude may be over drop in gross domestic product as Interior Minister and confident, given the underlying last year, which caused a sharp effectively Prime Minister. Sr seriousness of Chile's social and rise in unemployment. Over Jarpa's brief was to establish a confident, given the underlying seriousness of Chile's social and economic problems, but it shows that Gen Pinochet can still hold the initiative.

Gen Pinochet has benefited Gen Pinochet Can Still hold Gen Pin

> months after forming into a 1989, the date set down in the front, the Popular Democratic Movement (MDP), is still badly split between those who believe of achieving a return to demo-

Gen Pinochet's policy of divide and rule. He has refused to countenance the legislation of the Communist Party, which accounts for about 12 per cent

of the vote, putting the other parties in a quandary. The armed forces have kept studiously out of the debate, except for one leading figure, Gen Fernando Matthei, com-mander of the Air Force, who has said he would be willing to sit down with the Communists. Taking advantage of this infighting, Gen Pinochet has stalled Sr Jarpa's dialogue with the Centre and Right. raising doubts about his serious intentions towards liberalisa-

The immediate dangers to Gen Pinochet are on two fronts.
First, there may be limits to
the use of the armed forces in
controlling demonstrations. The
chief government spokesman.
Sr Alfonso Marques de la Plata,
conceded that their use in Sep-

tember was an error. Secondly, Gen Pinochet risks a showdown with Sr Jarpa.

Close colleagues say he is sincere in wanting to liberalise the regime and will resign if he cannot get his way. If this happens. Gen Pinochet has no skilled intermediary acceptable

to the political parties. On the other hand if Sr Jarpa Democratic Alliance, dominated by the Christian Democrats, responded eagerly to Sr Jarpa's overtures — as much as anything to isolate the Left.

On the other hand if Sr Jarpa is allowed to continue unharassed, then Gen Pinochet wilk have to give ground, perhaps even be pushed into a figure-thing to isolate the Left. harassed, then Gen Pinochet will have to give ground, perhaps even be pushed into a figure-head role. This he seems un-willing to contemplate before

split between those who believe surviving by side-stepping the a dialogue is the best means mines rather than defusing mines rather than defusing them. His confidence that he cracy and those who insist that
Gen Pinochet must be toppled.
Neither of these two broad
opposition alliances have
obtained the unequivocal supmic indicators show no positive port of the trades union move-ment, which itself is disunited. sive mass of unemployed is the

Commonwealth heads divided over Grenada

BY ROBERT MAUTHNER AND JOHN ELLIOTT IN NEW DELHI

THE RECENT U.S. invasion of Grenada yesterday provoked a sharp rift at the Commonwealth n New Delhi and almost certainly ruled out a condemnation of the military intervention in

Most of the criticism of the U.S. action and of the Caribbean states that supported it came from the African states, led by Dr Kenneth Kaunda, the President of Zambia, and Mr Robert Mugabe, Prime Minister

One of the prime ministers present, believed to be Mrs Indira Gandhi of India, was reported as saying she had never heard of such specific attacks being made on any of the member countries by other members during the four commonwealth conferences she had attended.

been attacked and destroyed.

The invasion was in total consider that it had the right to invade neighbouring affices of interestical the principles of int

nts

NEW DELHI - Alastair Mcintyre, a Grenadian econo-mist named two weeks ago as head of the island's temporary Government, will be unable to take up the post because of illness, the commonwealth secretariat said yesterday.

Commonwealth Secretary-General Shridath Ramphal said that Mr Mcintyre, 51, needed four months of medical treatment in Geneva.

charter. In particular, they raised the question of how Commonwealth countries that supported democracy could participate in what was patently a very undemocratic action.

Dr Kaunda and Mr Mugabe said the whole affair had profound consequences for the in-dependent countries of black had attended.

The African leaders, supported by others including those of Muritius and the Solomon Islands, said the entire Commonwealth convention of non-intervention in the internal affairs of a member country had been extracted and destroyed.

found consequences for the independent countries of black Africa. If it were accepted the U.S. and some Caribbean countries could invade another country in the region because they did not like its internal situation, then South Africa would consider that it had the

whether the commonwealth secretarizt would be involved in trying to find a successor. Mcintyre is deputy Secretary-General of the U.N. Conference on Trade and Development (Mostad) ment (Unctad). Reuter

However, the eastern Caribbean states which supported the U.S. action were not contrite. The leaders of Antigua and Barbuda, St Kitts and Nevis and Miss Mary Eugenia Charles. Prime Minister of Dominica, stressed that the intervention in Grenada had been "a rescue mission," not an invasion.

It had certainly not been un- of small states. dertaken for ideological reasons, they said. The Caribbean states had lived with Mr Maurice Bishop, the late Grenadian leader and his particular brand of marxism for several ciples of international law and "You will be throwing us to years without intervening, they in the against the United Nations the lions if you do not deplore stressed. But the presence of tions.

sation of Eastern Caribbean states (OECS) expressed their intention to set up a regional security force in the area so that, in future, they could look after their own security. Mrs Margaret Thatcher, the British Prime Minister was seen

British Prime Minister was seen to be keeping a low profile during the whole of yesterday's debate on Grenada, but said she had found the speeches of the Eastern Caribbean leaders "profoundly moving." It was clear that British did not want to the invasion of Grenada," they offend the U.S. over the issue. Mrs Thatcher said the Commonwealth leaders should now their weekend meetings in Goa, discuss what could usefully be

done to guarantee the security The UK and Australia have already offered to provide any help the Grenadians and other Caribbean states may request. This is likely to take the form of police training and assistance in the organisation of free elec-

Mexico aims for \$1bn annual trading deficit

BY WILLIAM CHISLETT IN MEXICO CITY

to stimulate a modest economic re-

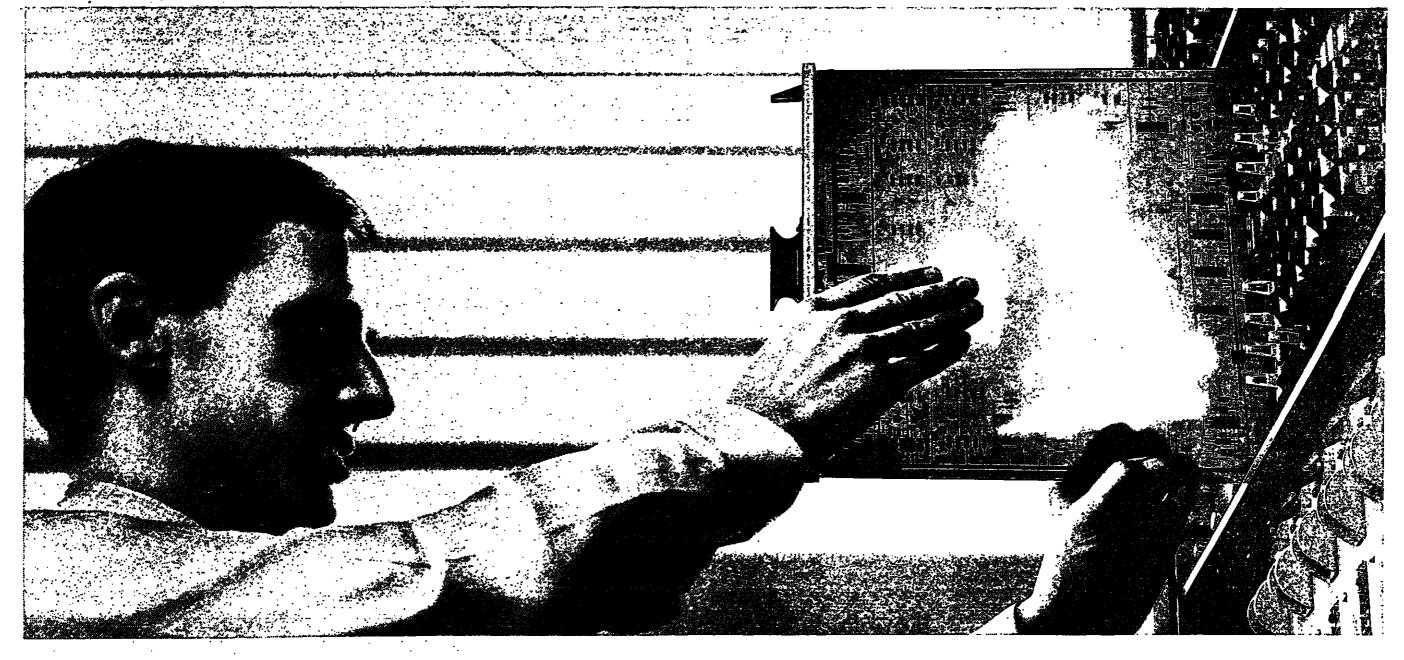
Sr Angel Gurria, the director general of public credit, said the deficit manced by \$3.5bn to \$4bn from in-

510bn to \$11bn and repayments of borrowing principal of about \$4.5bn.

rent account deficit of \$1bn next year, after a surplus of more than \$4bn in 1983, as part of its strategy to stimulate a modest account account upports of \$13.8bn ternational banks, \$1bn of U.S. agritis international bank creditors over the terms of the loan have been put back two weeks to December 100 to stimulate a modest account account upports of \$13.8bn ternational banks, \$1bn of U.S. agritis international bank creditors over the terms of the loan have been put back two weeks to December 100 to stimulate a modest account deficit of \$1bn next in 1984, up from a minimum of about \$100 to stimulate a modest account deficit of \$100 to stimulate a modest acc like the World Bank and another ternational Monetary Fund (IMF), \$1bn from official agencies like Eximbank of the U.S.

Mexico's formal discussions with

gramme with the country, to look at the progress the Government is making



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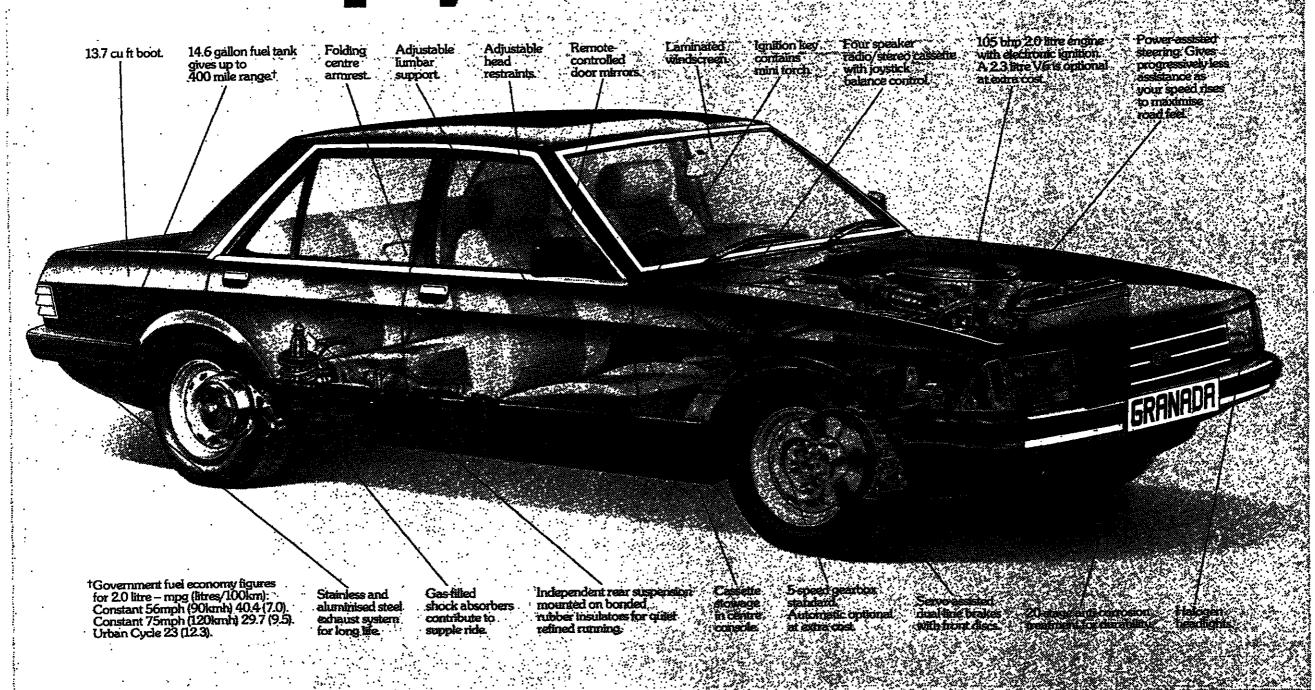
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A Ford Granada L for £7,094.



Perhaps you should look into it.



Remarkable value for money isn't it? This 2.0 litre Granada L actually costs as little as some other cars with smaller engines.

Yet, as you can see from the picture, it has all the refinement and engineering features you expect of such a car.

It's a Granada through and through. The model featured has the efficient 105 bhp, 2.0 litre engine with electronic

ignition which gives it a maximum speed comfortably over 100 mph. (If you'd like still more power a 2.3 litre V6 is also available.)

Naturally enough, the five-speed gearbox is standard. But you might be surprised to find that the 2.0 litre L now has power-assisted steering too. So long journeys are more effortless than ever. (An automatic gearbox is optional if you

prefer it, but obviously it costs more.)

Then, of course, there's the Granada's sophisticated all independent suspension system, a feature that's still noticeable by its absence in some cars that aspire to this class.

It gives such a successful balance between comfort and driving satisfaction that it once prompted Car magazine to comment The Granada now out-rides

and out-handles some of the best cars in Europe.

As for the level of equipment,

there's enough to make you wonder,
How do Ford do it for the price?
£7,094*...you really should look into
it. Why not ask your Ford dealer to arrange a test drive.

"Max. price excl. delivery and number plates. Car illustrated is a 2.0 L saloon with optional black paint at extra cost.

FORD GRANADA L



Brazil, Nigeria to revive bilateral trade

BY ANDREW WHITLEY IN RIO DE JANEIRO

BRAZIL and Nigeria have agreed to conclude a 90-day payments convention, in the hope that this will revive a bilateral trade which has slumped to a quarter of its 1981 peak of \$1.5bn.

Nigeria's difficulty in making payments abroad was identified by Sr Carlos Viacava, the Brazilian trade chief, as the principal obsta-cle to a potentially large revival in ents abroad was identified by their trade. "It wants to buy everything, everything," he reported in Rio de Janeiro on Wednesday, on his return from a tour of five African countries with President João

Figueiredo.
Sr Viacava said the Nigerians variety of Brazilian domestic goods, auch as lamps, ovens and refrigera-tors, as well as clothes, cars and foodstuffs, including chicken and

However, arrears on payments to private Brazilian companies have climbed to about \$150m, equivalent to 60 per cent of a last year's exports to Nigeria, he admitted. Volkswagen do Brasil and the Brazilian subsidiary of Mercedes Benz, which supply Nigeria with CKD cars and built up buses, are prob-

ably the worst affected companies. The Brazilian trade chief said a mission from the Nigerian Central Bank would be visiting Brazil soon to discuss a credit payments arrangement. This would probably have a ceiling in the range of \$100m to \$150m, with accounts, settled ev-



President Figueiredo

Brazil already operates similar conventions with Argentina and Mexice, which it uses to import grain and oll.

grain and on.

During President Figureiredo's visit to Lagos the two governments also agreed to establish military ties, including the training of Nigerian officers in Brazilian military seedamics and the sale of Brazilian academies, and the sale of Brazilian weapons to the Nigerian armed for-

Press reports said arms sales worth up to \$2bn were being dis-

The target is to increase Brazilian exports to Nigeria to \$500m a year level, double last year's total of \$245m. In 1981 Brazilian exports, mostly of manufactured goods

Russia threatens ban on Ladas for E. Germany

BY LESLIE COLITT IN EAST BERLIN

THE SOVIET UNION has told manufacturers such as Skoda East Germany it will halt and Polski Fiat would rather deliveries of Lada cars next sell to the West for hard year if it does not receive the currency than to East Germany. most modern East German machinery and the highest consumer goods in

the wirning seriously as East Germany sells much of Moscow abrupty cancelled its its furniture and its best annual export of some 30,000 machinery to the West in order

Moscow is said to be especi-ally eager to obtain large quantities of East German furniture and food processing equipment East European trade officials to improve the lot of the Soviet said East Germany is taking consumer.

Lada cars to East Germany in to pay off the more than \$85n 1981.

Deliveries were resumed last banks this year and next byear and the Soviet cars cur. East Germany is said to be rently account for nearly 20 contemplating a sharp increase per cent of the East German in its current production of car market.

East Germany cannot afford ever, this would entail heavy to buy cars in the West and investments which the country other East European auto- cannot afford.

'New tyre' developed

around 30 per cent in the U.S., Japan and Europe, Herr Helmut Werner the company's chair-

hanging from it, has a 10 per cent higher life expectancy than a standard tyre and offers 15 Reuter

HANOVER — Continental gummi-Werke has developed a new tyre that could be in production in four to five years and has a market potential of lighter than the standard one, lighter than the standard one, has better wet-weather grip, more room for brakes and better performance if punctured.

man, said yesterday.

The tyre has only been tested
on cars so far but is also inrim of the wheel rather than tended for trucks, and Conti estimated it will produce a 3 per cent fuel saving for cars.

Renault unit to set up joint venture

RENAULT AUTOMATION, a unit of the French state-owned Renault motor group, is to set up a joint ven-ture with Coherent, the U.S. group which specialises in laser technology, to design and manufacture ma-chines and automated systems using laser beams.

The agreement calls for Renault Automation to acquire a 51 per cent stake in Coherent's French subsidiary, Laser Optronic France. The company, which will change its name to Laser Systems, will design and market machines and systems to be manufactured by Renault Au-

The venture will concentrate on applying laser technology to ma-chines and systems involving cutting, drilling, welding and heat treatment operations. Renault said the venture will be open to other French partners.

Cern raises UK share of budget **Financial Times Reporter**

BRITAIN'S Science and Engineer ing Council faces a £7.5m (\$11m) shortfall because the UK Treasury has made no provision for the council's increased contributions to the European Centre for Nuclear Research (Cern), an international physics laboratory near Geneva.

The council is the British Government's agent for contributions to Cern. Cern calculates the annual contribution of each of its member states in Swiss francs and bases it on the gross national product of each contributor. Britain's share has been raised from 14 to 16.1 per cent for the next three years.

Call for UK push in West Africa

By Peter Blackburn in Abidjan

BRITISH businessmen have been urged to make a greater effort to win a larger share of West African, especially French speaking markets, worth some \$26bz in 1982.

British exports to 22 countries from Mauritania to the Congo amounted to only \$2.6m in 1982 of which 75 per cent went to Nigeria, according to IMF trade statis-

"Exporters should look beyond Nigeria. There are another half dozen countries maintaining annual imports at over \$1bn
despite the recession," Mr
Michael Daly, head of the
West African department at
the Foreign Office, said in
Abidjan this week.

Addressing some 50 British businessmen attending the first conference organised by the Confederation of British Industry in West Africa, Mr Daly said good opportunities existed in French-speaking countries such as Cameroon, Gabou, Congo and the Ivery Coast.

Speakers singled out Cameroon, the region's newest oil exporter, as the brightest

Cameroon remains underborrowed with total external debt of \$2.6bn and a debt service ratio of 12 per cent.

See your

"British businessmen are five years late in Cameroon," one speaker complained. However British companies will be given the chance to make up lost ground there when a mixed credit ald package is signed shortly.

Three front-runners for Pakistan road

BY JOHN ELLIOTT, SOUTH ASIA CORRESPONDENT, RECENTLY IN ISLAMABAD

Middle East making use of catamaran barges on the River Danube has been set up following an agreement between Cave Wood Transport, a UK company, and Donau-Lloyd Mal. pany, and Donau-Lloyd Mat. Donau-Lloyd Mat is a comby the end of the year.

pany which has been formed by Bayerischer Lloyd of West Germany and So-MAT, a Bulvice will take trailers down the Danube from Passau in southern Germany to Vidin in

UK group

barge route

to Mid-East

shares in

Bulgaria.

The trailers will then proceed via the Bulgarian road network through Turkey to Iran, Iraq, Kuwait, Jordan, Afghanistan and Pakistan.

A major advantage of the waterway connection, the com-pany claims, is that British shippers will be able to avoid permit restrictions and heavy road taxes.

The Danube leg of the journey will take between four and five days, with loading and discharging, and will permit a saving in freight rates for the full journey of about 10 per

THREE INTERNATIONAL groups of contractors and finanetal organisations including companies from the U.S., Europe and Asia have emerged as front By Hazel Duffy,
Transport Correspondent

A NEW transport route to the Middle East making use of catamaran barges on the River
Danube has been a strong and building project that will form part of Pakistan's national highway.

The Date of Pakistan's national highway.

expected to consider the bids

pany which has been formed by Bayerischer Lloyd of West Germany and So-MAT, a Bulgarian transport operator. The specially designed of a basically private sector roll-on / roll-off catamaran barges currently entering service will take trailers down the believe to be impropered. believe to be impractical.

The national highway runs from Nowshera, near Peshawar.

a few miles from Pakistan's northern border with Afghanistan at the Khyber pass, to the Arabian Sea port of Karachi in the south. Not only is it a vital route for conventional commercial business, it is understood to be a conduit for the heroin trade.



formed by Dillingham of the U.S., and includes Gammon Pakistan as well as Nasa, a Peshawar-based company which might link up with Pauling of the UK. Several local contractions of the UK.

national contractors such as Impresst of Italy and Hyundai of South Korea The third group has only ten-

dered for the southern section of the road in the province of Sind. It includes Al-Hussaini of Sind. It includes Al-Hussaini of Sind. Arabia whose Government is providing support, and ADA, a Pakistan public sector airrort construction company. stood to be a conduit for the the UK. Several local contraction trade.

In their invitations for bids the Pakistan Government has reduced a list of 10 possible groups to six, three of which have already declared the names of their banks and appear to be the front runners.

One of the three is Indus Highway Constructors, which has the support of the U.S. One of the three is Indus Highway Constructors, which has the support of the U.S. Adamjee family's group of companies, and includes inter-will be chosen on the basis of diately on both carriageways.

the total financial package offered, not the basic construc-The Pakistan Government wants the successful group to

provide some \$500m in hacace and will subscribe about \$150m itself as equity. The contrac-tor's funding will be a 16-year loan covering 10 years construction and six further years for repayment. This brings the total gross cost to an estimated maximum. \$900m including interest. Tolls will be charged.

The National Highways Board. which is responsible for the project, wants to repay loans by using 90 per cent of the annual toll receipts, which are estimated to be 81bh after 10 years full operation.

DMN is believed to have submitted the lowest construction tender of \$610m compared with \$674m by the Adamice organised group and \$743m by the Dillingham group. DMN's total finance package cost is not known. Adamica to the Department of Electronics in Delhi, discussed this during a recent visit to London. not known. Adamjee is believed to be the lowest at \$905m. The Dillingham package is thought to be \$1.25n.

Dillingham has suggested that the existing highway, which the Government had over a long period, should be rebuilt in sections as soon as traffic can be switched to the new road. This would add an estimated three years to the 10-year construction pro-gramme, but would mean that tolls could be charged imme-

India takes first step to small computers

By John Elliott in New Delhi

THE INDIAN Government has taken the first step lowards possible manufacture of microcomputers

One of its publicly-owned electronics corporations. Semi-Conductor Complex of Chandigarh, has ordered 200 of the Acorn BBC type of micro-computer, being presented as a gift this week to the President of India, Mr Zail Singh, by Queen Elizabeth.

The Indian Covernment is

The Semi-Conductor Complex order was confirmed at the end of list month and is worth some £700,000 Later, the Government is likely to draw up plans for assembling knacked-down kits and then manufacturing in India although no firm plans have yet emerged.

This development coincides with the Electronics Department examining four proposals from four companies based in joint venture manufacturing large and medium-sized com-

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Hong Kong's

By Robert Cottreil in Hong Kong

export-led

Threat to Australian uranium project

By Michael Thompson-Nool in Sydney

THE president of the Australian Council of Trade Unions (ACTU), Mr Cliff Dolan, threatened yesterday to block south Australia's controversia! A825n (f1.25n) Of mple Tam coppergold-silver-aranium project when it eventually gets under way. However, Mr Frank Mitchell, federal secretary of the main union involved, the Australian Workers' Union (AVVI), issued an immediate rebull to Mr Dolan, saying

work would proceed.

A go-ahead for the Wes-tern Mining Corporation-BP Australia project, near Roxby Downs, came earlier this month when Mr Bob Hawke, Australia's Prime Minister,

Austratia's Frime Aministr, routed leftwing opposition to uranium mining within the ruling Labor Party.

Clympic Dam is thought to contain at least 1.2m tonnes of uranium, plus large reserves of copper, gold and william. silver. However, other uranium

However, other uranium projects, such as Jabiluka and Koongara, in the Northern Territory, and Yeelirrie, in Western Australia, will not proceed under the Hawke plan, which means that the Government's problems with uranium are just starting.
Mr Dolan, who is in Geneva
for a meeting of the International Labour Organisation, was reported yesterday as say-ing that next mouth the ACTU paign of obstruction against Glympic Dam.

He said the ACTU would probably call a meeting of affiliated unions involved in uranium production, and issue a stern rebuke to the Government for watering down Labor's official anti-uranium policy. Mr Hawke is himself a

former ACTU president.
However, the AWU's support for the project severely
undermines Mr Dolan's
repegade stand. The AWU will have almost executive control of construction and production at Roxby Dowas, with about 300 members already on site. Production is unlikely to commence before

Unions such as the Transport Workers, the Waterside Workers Federation, and the Seamen's Union, could dis-rupt delivery of construction materials—and halt uranium exports—if they wanted. But they are doing nothing to compromise production at

Australia's existing uranium mines, Ranger and Nabarlek, both in the Northern

Territory.
A spokesman for the Waterside Workers Federation said last night it was too early to predict whether the union would handle uranium ship-ments from Roxby Downs.

Sri Lanka peace formula sought

By John Eliott, South Asia

OUR months after ethnic riots upset the political stability of Sr: Lanka and cast doubts over its economic future, a possible peace formula is being thrashed out to deal with the island's communal ten-

The Indian Government has been acting as intermediary between the minority Tamil group, which was the victim of devastating attacks late in July, and the majority Sinhalese community which runs the Government.

This week, the arena for talks has moved to New Delhi where urgent diplomatic activity has been taking place on the fringe of the Common-wealth Heads of Government meeting.

Mrs Gandhi, the Indian Prime Minister, is concerned over the Tamil problem because the people are closely linked with the southern Indian state of Tamil Nadu and because she believes India has a role to play in South Asia as a

major power.
This week she has met Mr
Jayewardene, the island's
president, and supporters of
the Tamils including Mr S. Thondaman, Sri Lankan Minister of Rural Industries and a guardian of some 300,000 Indian Tamils on the

She also met Mr A. Amirthalingam, secretary-general of the Tamil United Liberation Front (TULF). He is one of 16 MPs who have effectively resigned from the parliament because they are not pre-pared to obey a law introduced three months ago requiring them to renounce calls for separatism. He says he dare not return home for fear of attack or

The Tamils, ranging from moderate MPs to terrorists known as Tamil Tigers want

to ensure their stake in the island. The Sinhalese, jealous of the Tamil's success in business and worried about the power of this significant minority, want to reduce their

The Sinhalese view ranges from extremists who were behind the anti-Tamil violence in late July to moderates who merely want a stable settle-ment which will allow the Island's tourist business and industrial investment to grow. The main proposals thrashed

out in Sri Lanka during a recent visit by Mr G. Parthasarathy, Mrs Gandhi's special envoy, concede many Tamil demands, but there are still some stumbling blocks. The concessions include modi-

fications to existing plans for 24 district development councils, making them powerregional

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BIRMINGHAM

THE BIG HEART OF ENGLAND

The Middle East map may need to be redrawn reports Roger Matthews in Amman

Fear and hope as Jordan weighs the risks

WHATEVER the fate of the Palestine Liberation Organisa-tion and Mr Yassir Arafat, the future of the Palestinian people remains inextricably linked with that of Jordan People of Palestinian origin form at least 60 per cent of Jordan's esti-mated 2.4m population and another 1.3m Palestinians live under Israeli occupation on the West Bank of the Jordan River

and in the Gaza Strip.
This total of over 2.6m contrasts with a maximum of 20,000 guerrillas who claim to represent the Palestinians, and who for the past weeks have been busy killing each other with Syrian assistance in and around the northern Lebanese

down its security shutters in response to the turmoil within the PLO and what it believes will be the most determined attempt to disrupt the country since King Hussein ejected the Palestinian guerrillas in 1970.

"Seldom has one been so frightened about the future of this area," one of the country's political leaders said yesterday. He was referring principally to the mood of extremism which has been fanned by the collapse of the Reagan plan, the tighten-



King Husseln

mind the fact that since October port of Tripoli. 13 there have been six Today Jordan is bringing attempted terrorist attacks in and around the capital, for which King Hussein has publicly blamed Syria and Libya. The King said earlier this week that the two countries had mounted "a dangerous and criminal conspiracy."

The failure of the Arab The failure of the Arab League, in particular the Gulf States, to check Syria's obvious attempts to hijack the PLO has intensified the debate within Jordan over the response it should now make. King Hussein has already pointed to one possible arready pointed to one possible arready at the result of the process of the positive and to be courageous, or we run the courageous, or we run the courageous, or we run the process of the positive and to be courageous, or we run the process of of the Reagan plan, the tightening Israeli grip on the West Bank and Gaza, the fighting in Lebanon, the battle between rival Palestinian factions, and the ambitions of Syria.

But he also had very much in should now make. King Russem in two make. King Russem in two make. King Russem in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the should now make. King Russem in grade in the same in grade in the same i

Emotion runs high as

JOYOUS Israelis and Pales into the ranks of the PLO,

tinians welcomed home their especially in Israeli occupied

sons, brothers and husbands yesterday, as Israel and the PLO carried out one of the largest and most one-sided prisoner-of-war exchanges in recent history.

Israeli mothers wept as the six young Israeli soldiers held by Fatah in Tripoli, Lebanon, arrived home after 14 months.

"It's the greatest day of my life," said Pte Abraham Minta-

life," said Pte Abraham Minta-belski as he was reunited with he ran to the waiting aircraft.

prisoners are freed

BY DAVID LENNON IN TEL AVIV

"It's the greatest day of my life," said Pte Abraham Minta-

numbers guerrillas.

sons, brothers and husbands Lebanon.

1967 Middle East war.

The parliament was finally prorogued in 1974 after the Arab summit in Rabat agreed to Arab summit in Rabat agreed to opting instead for a clear recognise the PLO as the sole legitimate representative of the Palestinian people. To recall it now would defy that resolu-Palestinian people. To recall it now would defy that resolution, but could create the type

on the West Bank, where there is a mood of growing despara-tion. We also have to provide of forum that President Reagan called for in his initiative and hope for our own population, 65 which King Hussein and Mr Arafat failed to achieve last per cent of whom are under 25 years old." It is believed at the highest Leading Jordanians admit levels in Amman that most of

that such a move would provoke additional hostility among those of Palestinian origin would welcome the opportunity to have Arab radicals, especially Syria, their own voice in a recon-stituted parliament. But it is but believe there is even greater danger in remaining passive while the majority of moderate Arab regimes are sututed parnament. But it is also recognised that leading Palestinians, among them those who have been ejected by Israel from the West Bank, would need both physical courage to come forward and parabolic the believe of the state of the sta being dictated to by the radical minority.
"It looks very much to me as if the Middle East may be in for a period of redrawing political, and perhaps physical,

courage to come forward and probably the blessing of that part of the PLO not under direct Syrian control.

Much will depend on whether Mr Arafat manages to negotiate his way out of Tripoli and whether his experiences there will have persuaded him of the need to co-operate with King Hussein in the search for a West Bank and Gaza settlement. There is an open invitation for maps. The worst thing we can do is remain silent. We have to be seen to be positive and to be courageous, or we run the strategy, and would favour abandoning the traditional Arab

requirement of trying to achieve a consensus on major issues. "The idea of consensus has

become the victim of both Syrian and Israeli ambitions is

regional powers appear to share an interests in preventing

will have persuaded him of the need to co-operate with King Hussein in the search for a West Bank and Gaza settlement. There is an open invitation for Mr Arafat to visit Amman for talks, but no intention that he should be allowed to make his base in Jordan.

However, there are cautionary voices, among the Jordanian hack on Iraq.

Jordan's capacity to meet that threat, and its willingness to threat, and its willingness to threat, and its willingness to threat threat, and its willingness to threat threat, and its willingness to threat and its willingness to the statement will ultimately rest on the attitude of the U.S. and whether Washington can convince King Hussein that President Reagan is sincere in the pursue and its willingness to the statement will ultimately rest on the attitude of the U.S. and whether Washington can the pursue and the pursue a

recovery strengthens becoming further enmeshed in Palestinian problems. Perhaps their most telling argument is that King Hussein could not be remotely confident of a positive HONG KONG'S export-led recovery strengthened in the response from Israel if he were to suggest negotiations in co-operation with Palestinian representatives.

The risk that Jordan could third quarter of 1983, according

to new Government figures.

Domestic exports for the third quarter showed year-on-year real growth of 19 per cent. accelerating from 14 per cent growth in second-quarter 1983 and 3 per cent growth in the the one issue which seems to unite most shades of Jordanian opinion. Jordanians are acutely sensitive to Israeli claims that first quarter.

Domestic demand, however, remained relatively weak, and imports of capital goods continued to fall. Imports showed a a Palestinian state already exists in Jordan. They fear equally that the regime in Syria may year-on-year real growth rate of 12 per cent in the third quarter, while re-exports from Hong have come to the same con-It is pointed out that the two

Kong showed real year-on-year growth of 21 per cent Reflecting the economic upshare an interests in preventing a successful negotiated settlement in the region, just as they have both supported Iran in its three-year war Iraq. Tentative attempts by Jordan to open a dialogue with Syrla immediately met a demand from Damascus that Amman must first turn its back on Iraq.

Jordan's capacity to meet that per cent, from 4.4 per cent in the second quarter of the year, and 5.1 per cent in the first quarter. Inflation was running at 9.1 Inflation was running at 9.1 per cent year-on-year in the third quarter compared with a rate of 9.4 per cent in the first half of 1983.

Inflation is likely to rise in early 1984, however, reflecting the filtering through of the effects of this summer's sharp weakening in the Hong Kong dollar.



dollar.

Talks soon on Uganda programme By Michael Holman in Nairobi

Expectations of continuing strong exports in the fourth quarter of 1983 are borne out by

UGANDA'S revised economic recovery programme, under which \$199m is sought from which \$199m is sought from donors to meet 1985 targets and a further \$12m to fund ongoing projects, will be discussed in Paris in January at a World Bank-chaired consultative group meeting, government officials in Kampala said yesterday.

The original plan, launched by President Milton Obote in 1932, laid the basis for the recovery of an economy devastated during the years under Idi

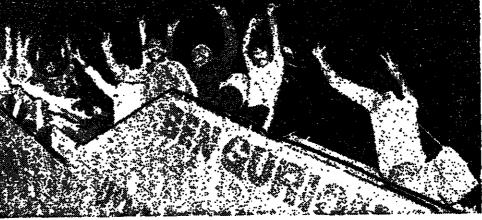
Accompanied by major structural reforms, including massive price rises for key cash crops, gradual state distrivolvement from many parastatals, and successive devaluations of the Uganda shiling, the plan envisaged donor funded outlay of some \$566m to 1984, with a farther \$180m to cover projects

aiready begun.
In a review of progress, which will be discussed by donors attending the Paris meeting, the Government is seeking to fund a shortfal! of \$200m over an extended plan period 1983-84 to 1984-85, and \$729m to finance projects which

are scheduled to begin
Despite continuing security
problems, Uganda has seen a
slow but steady improvement in economic conditions. President Obote, who also holds the finance portfolio, said earlier this year that the 6.1 per cent growth in 1981-82 has risen to 7.7 per cent the following year.
In his June budget he announced further increases in the producer prices of coffee (which accounts for over 90 per cent of export earnings), cotton,

3

Last month, Uganda reached agreement with the Inter-national Monetary Fund on its third standby facility since



Taste of freedom: Some of the 4,500 Palestinian detainees released in a lopsided swap for six Israeli POWs seen boarding a flight for Algeria at Ben Gurion airport, Israel

cisive factor. The Premier said many months of secret negotia-In southern Lebanon, families rejoiced as 4,700 mainly Palestinian and Lebanese prisoners were released from the Ansar detention camp. Even the curfew imposed on the area by Israel could not dampen the happy mood, especially within that the PLO is in bad shape, He also cautioned the re-leased Palestinians against returning to the path of guer-rilla warfare against Israel. It had not worked before and would not work in the future, Mr Shamir said.

israel could not dampen the sume the guerrilla war against happy mood, especially within the refugee camps There was also jubilation among the Palestinians on the happy mood, especially within the refugee camps.

But there was also considerable concern among the Israeli military over the implications of the release of such huge numbers of Palestinian such as the position of the belaguered PLO chairman guerrillas. Israeli-occupied West Bank and among the Arab community in Israel. The release of 63 Palestinians held in Israeli prisons was welcomed, even if these former detainees were imme-diately deported from Israel.

Mr Elias Frelj, the mayor of Bethlehem, said: "I hope this The main fear is that the former prisoners, both the 1,100 who chose to go to Algeria and the 3,600 who are remaining in Lebanon, will return to active to their lives, because of the total the state of the content of will be the beginning of a new movement towards reconcilia-

tions involving former Austrian Chancellor Bruno Kreisky, the International Red Cross and the French Government. Possibly the hardest pill for

the Israelis to swallow was the release of more than 60 of the guerrillas serving sentences, including life, for sabotage actions which had killed Israelis. There were five women among these prisoners, including one who participated in the attempted hijacking of a Sabena passenger plane in 1972. Some of those released had carried out dozens of sabotage actions. Another 29 PLO men, captured within the last two months when their boats were stopped

between Cyprus and Lebanon

The prisoner swap came after released yesterday.

service and inject fresh blood fighting in Tripoli, was the de-Why Captain Jabril is not the new Arafat

oecomes a guerrilla leader without an army. His remaining men, including the 4,000 released by the Israelis, will be largely disarmed and scattered around the Middle East.

Stve alienation of Syria by Mr Arafat and w dissembling to dissembling the Saudi Arabla above all its largest faction Initially, the Fatah at the style and content of his leadership.

When Mr Arafat without dissembling to dispense to dispense dissembling to dissembling to dissembling to dissembling to dispense d

His rebel opponents, who wish to displace him as head of the Palestine Liberation Organisation (PLO) suffer from the opposite failing. They have a small army but no political credibility or following among Palestinians or the rest of the Arab world. Events in Tripoli have marked them as having little independence from Syria.

Driven from Beirut last year the PLO is left without a base free from the influence of one or other Arab state. It seems doomed to be divided into a pro- and anti-Arafat PLO, each group with its supporters in the Arab world, pursuing inter-necine feuding as its influence

Korean leader's

Cesar Virata that Japan would

pledge

and Mr Hu.

on invasion

THE SIEGE of Tripoli, whether was evacuated from Beirut last isolation and corruption of some it finally came in November it ends in evacuation or assault, year. These were the progressof the leadership around Mr because the Syrians and the means that Mr Yassir Arafat sive alienation of Syria by Mr Arafat and what they saw as rebels had failed to get Mr

Mr Yitzhak Shamir, the Prime

never appearing to recognise the political consequences of having lost the independent enclave which the PLO had created in West Beirut. He did not see that he no longer of the fighting was done by a

Despite this, Mr Arafat pursued the dangerous policy of giving a guarded welcome to the Reagan plan for West Bank autonomy and talking to King Hussein of Jordan. Both moves

of the leadership around Mr Arafat and what they saw as dissembling to the U.S. and Initially, the rebellion in Fatah which started last May,

was independent but it soon When Mr Arafat withdrew came under the control of from the Lebanese capital in Syria. Dissidents like Colonel August last year he claimed a Abu Mousa, who wanted an political and moral victory, understanding with Mr Arafat, did not see that he no longer had the room to manoeuvre which he had enjoyed for over a decade.

Those of his military units still in the area were in east and north Lebanon and Syria.

Therefore the manoeuvre brigade of the Palestine therefore the manoeuvre brigade of the Palestine therefore the control.

Mr Arafat had returned to Tripoli in August to try to move the control of the fighting was done by a brigade of the Palestine therefore the palestine that the control of the fighting was done by a brigade of the Palestine that the control of the fighting was done by a brigade of the Palestine that the palestine that the control of the fighting was done by a brigade of the Palestine that the control of the fighting was done by a brigade of the Palestine that the

Tripoli in August to try to move legitimacy.
back into the cockpit of Arab politics. He had little success and played no role in the war is recognised by other Arab in the Chouf mountains in states as the sole representative.

diminishes.

The siege of Tripoli, which began on November 4, was the culmination of two processes which started after the PLO and Fatah Many regretted which started after the PLO and Fatah M

because the Syrians and the rebels had failed to get Mr Arafat to accept a role as a figurehead.

The continuation of Mr Arafat's nominal leadership would probably have been acceptable to Syria and many of the rebels because they had no credible alternative. The rebels had every reason to want to take over the organisation, not to destroy it as they now appear to have done.

They needed to destroy Mr Arafat's military base and have

succeeded in doing so, but because the leaders of the rebellion have proved unable or unwilling to kill Mr Arafat, they are finding it virtually impossible to establish their

September. His remaining of the Palestinian people, It is loyalists were forced out of the Bekaa Valley. Captor of Beddawi refugee camp Bekaa Valley. captor of Beddawi refugee camp In Tripoli, Palestinians waited and commander of the attack on Tripoli, will ever be able to gain much support outside



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COMMINICATION

Taiwan in the throes of elections

BY ROBERT KING IN TAIPE! TAIWAN is in the threes of

PRESIDENT KIM IL SUNG of elections again, and while the North Korea has assured China outcome cannot alter the powerhe will never invade South structure in this one-party Korea, according to Hu Yao country, the signs are that the bang, secretary-general of the ruling Kuomintang, or National-Chinese Communist Party, who ist Party, is willing to tolerate is visiting Tokyo, Agencies more criticism than usual.

Nearly 200 candidates are vying for 71 "supplementary" seats available to candidates from 7aiwan because the government considers itself Japan and China have pledged to pursue a path of peace into the 31st century, guided by a special commuttee of members special committee of members ernment considers itself young enough to live that long "national"—that is, represent-The pledge was made during a ing all of China. meering between Japan's Prime Minister Yashuhiro Nakasone Most of the 371 members of

the legislature were elected Meanwhile Mr Nakasone has from all the provinces 35 years told visiting Philippine Prime ago and hold their seats Minister and Finance Minister virtually for life, since new elections cannot be held in extend "appropriate" economic China. These life-members co-operation to Manila accord- control the legislature, voting ing to the Tokyo Foreign usually in a block in support of government policy.

The supplementary seats. however, mark the increasing insistence by the Taiwanese that their future should not be determined exclusively by events that occurred in mainland China decades ago. They also emphasise the government's recognition that "localisation" and more active participation in political affars by Taiwanese is, in the long run, in the country's

best interest.

But all the stops have clearly not been pulled, and a call for "self-determination" by the Dangwai (independents) was ordered to be struck from campaign literature and posters by the authorities, who felt that the term might be taken to mean "independence"—the one event many fear could provoke a

military onslaught by China.

Despite the limitations, however, the campaigning and the

elections—the second national poll since the U.S. severed diplomatic relations five years ago—mark an unmistakeable trend towards democracy and prob-ably an increasing role for non-Kuomintang politicians.

Prohibited by law from forming a party, the Dangwai has nevertheless managed to nominate its candidates by committee and to attract consider able attention among the voters —if not by subtle arguments then by showmanship, appeals to emotion, and by scathing verbal attacks on the ruling

Nevertheless, the Kuomintang is proving more capable of accepting the criticism and understanding the more sophisticated public mood underlying it. That bodes well for the future of Taiwan.



on the outskirts of the Baddawi camp near Tripoli

Arbuthnot Latham ...
Armeo Trust Ltd.
Associates Cap. Corp.
Banco de Bilbao
Bank Hapoalim BM ...

Consolidated Credits ...
Co-operative Bank
The Cyprus Popular Bk.
Dunbar & Co. Ltd.

Duncan Lawrie

E. T. Trust 9 Exeter Trust Ltd. 10

BASE LENDING RATES

Heritable & Gen. Trust 9 %
Hill Samuel 9 %
C. Hoare & Co. 19 %
Hongkong & Shanghai 9 %
Kingsnorth Trust Ltd. 10 %
Knowsley & Co. Ltd. 9 %
Lloyds Bank 9 %
Mallinhall Limited 9 %
Mallinhall Limited 9 %
Meghraj and Sons Ltd. 9 %
Midland Bank 9 %
Midland Bank 9 %
National Bk. of Kuwait 9 %
National Girobank 9 %
National Girobank 9 %
National Westminster 9 %
National Westminster 9 %
R. Rapbael & Sons 9 %
P. S. Refson & Co. 19 % BCC! 9
Bank of Ireland 9
Bank Leumi (UK) ple 9
Bank of Cyprus 9
Bank of Scotland 12 Banque Belge Ltd. ... 9
Banque du Rhone 10
Barclays Bank 9
Beneficial Trust Ltd. 10
Bremar Holdings Ltd. 9
Brit Bank of Mid. East 9 P. S. Refson & Co. ... Roxburghe Guarantee Royal Trust Co. Canada Standard Chartered ... Westpac Banking Corp. Westpac Banking Corp.
Whiteaway Laidlaw ... 91%
Williams & Glyn's ... 9 %
Wintrust Secs. Ltd. ... 9 %
Yorkshire Bank 9 % C. E. Coates 9. Comm. Bk. of N. East 9

Members of the Accepting Houses Mambers of the Accepting Houses Committee.

7 -day deposits 5.5%. 1-month 5.75%. Short-term 28.000/12 months 8.1%.

7 -day deposits on sums of: under £10.000 57%. £10.000 and over 72%.

‡ Call deposits £1,000 and over 52%.

\$ 21-day deposits 61,000 and over 52%.

\$ 21-day deposits 512%.

Money Market Cheque Account= 8.75%. Effective annual rate — 8.11%.

Exeter Trust Ltd. 10 %
Exeter Trust Ltd. 10 %
First Nat. Fin. Corp... 11 %
First Nat. Secs. Ltd. 10 %
Robert Fraser 10 %
Grindlays Bank 19 %
Guinness Mahon 9 %
Hambros Bank 9 %

Bill for imports Pickets arrested jumps by 10% in month

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

IMPORTS SURGED in October, nearly £270m according to the latest official estimate out yesterday.

The figures underlined official concern about the steady increase

in imports this year. But the October surge was also taken in Whitehall as an encouraging sign for the strength of economic recovery. This is because there were particularly. sharp increases in imports of basi materials and capital goods as well as in manufactured items.

The view is that industry may have been rebuilding stocks after an unexpectedly sharp run-down in the three months to September. Yesterday's figures, from the Department of Trade, showed that imports of goods in October rose 10

per cent compared with the September figure to £5.59bn. Exports were down at £5.17bn. The deficit on visible trade was £429m, offset by an estimated surplus of £160m on invisible trade;

such as banking and insurance. That left a current account deficit of

swinging the current account of bal-the current account balance has ance of payments into a deficit of fluctuated substantially. The cumu-In the first 10 months of this year lative surplus so lar is £400m, a fig-ure which is comparable with the deficit, and surplus, recorded in some individual months.

The fluctuations reflect quite

large monthly changes in the fig-ures for exports and for imports, some of which are hard to explain and appear erratic.
In October the volume of imports

other than oil rose 11 per cent above the average level for the first nine months of the year, 7 per cent higher than the average for 1982, Imports rose in all sectors except those for cars and fuels. In the three months to October the volume of imports of manufactured goods

was 15 per cent above the average volume for 1982. Exports, meanwhile, have been improving in recent months from a depressed performance in the spring and early summer. The volume of non-oil exports in the three charges last night, and the arrests months to October was 4 per cent higher than in the previous three

in Shell dispute

BY BRIAN GROOM, LABOUR STAFF

day in which feelings were embittered by the arrest of four men picketing the company's oil tanker to Tel Aviv and Jeddah were held depot at London Heathrow airport. Talks will take place today at the biggest refinery, Stanlow in Cheshire, on a 19-month offer made on Wednesday.

Shell seemed hopeful last night of a return-to-work on Monday, but shop stewards were less so. Although the three-stage offer is worth 6.2 per cent over 19 months, on an annual basis it still appears to work out at 4.5 per cent. Stanlow workers have been on

strike for five weeks over a 4.5 per cent, one-year offer. They were joined three weeks ago by workers

Pickets have halted distribution from many Shell terminals around the country. But when picketing was extended to Heathrow yesterday police arrested four men under the airport by laws which prevent picketing within the perimeter gates. Police were considering

week pay dispute in Shell's oil re-fineries emerged last night, after a ing's picketing. The British Airports the unions worsened yesterday as but British Airways said two flights

> Shell ran into further problems yesterday when shop stewards representing its 1,750 tanker drivers separately - declared a pay ballot void because of claims from some members that the company's offer

The offer raises basic rates by 4.5 per cent and consolidates £2.50 a week of long-service and holiday bonus payments into basic pay. Some stewards have taken legal advice that the employment contracts at Shellhaven, Essex, where further of long-serving drivers would be negotiations will also take place to-hreached if their service payments Shell disputes this, and offered a

meeting of the two sides' lawyers. The transport union refused, and demanded a full negotiating meeting - which Shell turned down

The company accused the union of prevarication. Union negotiators will now consider their next move in two or three days' time.

COURT TO HEAR EVIDENCE OF PICKET LINE VIOLENCE

trial relations.

demned what he called "disgraceful

behaviour" on the picket line. He

picket outside the plant. The NGA

said vesterday that, unless there was a breakthrough in the dispute.

The Manchester Evening News

Manchester were meeting in Lon-

den last night to discuss broadening

dents on the picket line.

the action.

Print peace efforts break down

The union claimed that 20 flights | THE PROSPECTS of a confronta-Authority said it knew of no delays, efforts by the Advisory, Concilia-but British Airways said two flights tion and Arbitration Service (Acas) to bring together the two sides in the Stockport Messenger dispute

> Mr Eddie Shah, chairman of the Messenger series of weekly free newspapers, will today seek in the High Court the sequestration of assets of the National Graphical Association (NGA), the print union at mass picketing would be resumed on Tuesday. Mr George Jerrom, NGA national officer, said pledges the centre of the first major challenge to the Conservative Government's employment laws.
>
> The court application will be as 2 for pickets already far outnum-bered those for this week.

result of the union's failure to pay a C50,000 fine levied for refusing to end mass picketing at the Messenger's printing plant at Warrington, in north-west England. The dispute involves the refusal of the company to reinstate six NGA workers.

Mr Shah said last night he would include evidence of violence on the picket lines in his affidavit to the High Court in Manchester. He said that burning wood had been thrown at an armoured van leaving the plant yesterday. The van hit Mr B:!ly Trainor, a picket, and broke his leg. About 200 pickets were outside the plant.

Mr Tom King, the Secretary of national newspapers could be hit by State for Employment, has cona "spontaneous explosion" of strike tially hit the colour supplements of action tonight if the High Court se- a number of Sunday papers last questrates the union's assets.

told the House of Commons that He said that his members were such conduct had no place in indusextremely angry about police brutality on the picket lines and the use of a "paramilitary army" by Mr plant in West London. Until early next week, when the presses of the weekly newspapers Shah. rall again, there will only be a token

could today join the NGA in a show- to work normally, there is no guardown over the employment legisla- ansee that it will. ment Acts restrict lawful industrial action, make most secondary actions - such as picketing elswhere from the workers' own workplace unlawful, and lay unions funds more open to legal action.

was stopped for a second day, after the NGA compositors refused to The Sogat executive today will be give a written assurance of non-indiscussing the refusal of the Lon-don Central branch of the union to terference with editorial matter. On Wednesday, they had refused to handle a story dealing with court appearances by 22 men after inciprinted by the British Printing and battles in the courts in the 1970s Communication Corporation against the Conservatives' Industri-Union representatives from na-

The Federation of London conal newspapers in London and Wholesalers obtained an injunction against the backing on Wednesday. esterday none of the magazines had been moved but the injunction Mr Joe Wade, general secretary Mr Joe Wade, general secretary does allow 48 hours for an amend-of the NGA last night warned that ment to be sought.

weekend - is being taken to support the London machine branch of Sogut which is in dispute with BPCC over the closure of its Park Royal

Even if the Sogat executive today The general print union Sogat 82 orders the London Central branch

> Mr John Brockett, secretary of the Federation of London Wholeimpossible position in the middle of us. We must just hope that anarchy does not prevail." BPCC magazines cent of the federation's turnover.

The NGA and Sogat issues are shaping up to a rerun of the union al Relations Act 1971. Now the main statute is the Employment Act 1980, civil courts, rather than the special National Industrial Relations Court, but the response of the courts to defiance may be remarkably similar.

Trade union law, Page 18

BALANCE OF PAYMENTS, CURRENT ACCOUNT

	Current			kıvisible
	Belence	Amibie	Balançe	Belance
		OB	Non-oil	
981	+6547	+3112	- 104	+3539
982	+5428	+4605	-2486	+3309
983 Q1	+ 810	+1764	-1927	+ 973
Q2	- 328	+1490	-2159	+ 341
63	+ 185	+1538	1833	+ 480
May	- 406	+ 420	- 939	+ 113
Jun	+ 263	+ 585	- 436	+ 114
Jul	- 158	+ 440	- 758	+ 160
Aug	+ 38	+ 569	691	+ 160
Sep	÷ 305	+ 529	384	+ 160
Oct	269	+ 538	- 967	+ 160

Threat of all-out pay strike at Ford

BY OUR LABOUR STAFF

UNION LEADERS of both manual and white-collar workers at Ford of Britain yesterday threatened an allout strike over 7.5 per cent pay offers which would shut the company down completely after the Christmas and new year holidays. Ford made no official response to

privately sceptical that either shop-floor workers or office staff want to strike over so high an offer. The 56 union negotiators representing 44,500 hourly-paid workers senting 44,500 hourly-paid workers ford unions, said: "If our members ford unions, said: "If our members are shorter to the property of the p

the union threats, but managers are

strike from January 3.

At the same time negotiators from the three unions representing 10,000 white-collar staff announced scheduled so far include Swansea

strike. They have also been made a 7.5 per cent pay offer, but talks have broken down over Ford's refusal to improve pensions.

On the manual workers' side, it is a similar refusal by the company to respond to claims on issues such as back at a union negotiators at a metal back at a union negotiators.

which has proved the greatest bar- on December 5.

Syndicate members to

LLOYD'S UNDERWRITING agents syndicate over three underwriting who have introduced more than 200 accounts for the years 1980-82 will members of Lloyd's to an insurance syndicate which now faces £13m of business accepted on their belosses, have been told that the members of the syndicate should because of the losses those members of the syndicate should be a second of the losses those members of the syndicate over three underwriting accounts for the years 1980-82 will have to pay £20,000 for each £20,000 for each £20,000 for business accepted on their below.

meet £13m losses

BY JOHN MOORE, CITY CORRESPONDENT

members of the syndicate should start making arrangements to pay at least £20,000 each to meet the

Members of the syndicate - in-

cluding sports personalities Mark

Cox and Virginia Wade were

warned in mid-October that the syndicate faced large losses.

The syndicate managers, Spicer

and White (Underwriting Agencies), whose ultimate majority owner is

Willis Faber, the large broking

group, told the members in October that "exceptionally poor" quality business had been accepted by an

underwriter, who no longer accepts

business on behalf of the syndicate.

That underwriter had also accepted

more business than he was allowed

Those members who were on the

to under Lloyd's limits.

They would do so in the knowledge that this leaves plenty of time to seek further talks with the company to persuade it to improve its

H they voted for a strike and ne gotiations were not reopened, the plants would fail to reopen after the holiday shutdown from December

Mr Ron Todd, national organis of the Transport and General Worksenting 44,300 nounty-pean was assisted in London yesterday to urge members to reject the pay offer and vote at mass meetings to detail of supplements they have to

fight for it." Other manual workers' meetings that they too were recommending a and the Halewood transmission strike. They have also been made a plant tomorrow, the Halewood body

extra holidays and better pensions ing at Transport House in London

which has proved the greatest barrier to a settlement.

Mass meetings in Ford's 24 plants
will begin today with a vote by
hourly-paid workers at the Bridgend, South Wales, engine plant in
and will continue into next week.

Many workers would be reluctant
to strike immediately after Christwase and salaries by white-collar
staff would be unprecedented. Managers believe it highly unlikely, although strikes by specific groups in
departments such as computer operations could be damaging.

The pay offer to both manual
workers and salaries by 755 per cent

mas and new year had emptied wages and salaries by 7.65 per cent, their pockets, but the fact that the stoppage is some way off may encorage them to vote for it. was said salaries by 7.65 per cent.

Because of the losses those mem-

bers of the syndicate who belong to

the newly-formed Association of Lloyd's Members, established to

protect the interests of Lloyd's

members, will meet next month to

discuss the situation and decide

whether further action is neces-

• The Department of Trade and In-

dustry, the ultimate regulatory au-thority of the British insurance

community, is studying a 231-page

report prepared by an internal com-mittee of inquiry in the Lloyd's in-surance market.

The committee investigated the

relationship of eight Lloyd's insur-

ance syndicates under the manage-

ment of Mr T. Raymond Brooks and

Mr Terence Dooley with the Fiden-

tia Marine Insurance Company of

The Advertising Standards Anthority. Vertisement is wrong, we're here to put it right. ASA Ltd., Brook House, Turrington Place, London WCIE 714N.

found that even red tape is cut to the minimum.

Of course, you can still hope a customer's ability and will to pay will be enough.

But can you bank on it?

Call one of the regional offices listed below for the introductory leaflet 'Getting into ECGD.'



Export with confidence.

The exporter stands to lose every time. An international loan is refused, so a country declares a moratorium on external A government changes: the currency exchange laws change with it. Some pressure group flexes its protectionist muscle, an import licence is suddenly cancelled. Whatever the cause, the effects are the same. Frozen payments and the slowing of the exporter's cashflow to a trickle. So, is this an attempt to undermine the exporter's confidence? On the contrary, ECGD is a government department set up 60 years ago to provide the security which lets businesses act positively in the world's marketplace. For an average premium of just 58p per £100 of goods or services, you get a unique kind of safety net. It guarantees you 90 or 95% of your money if an overseas country or customer fails to meet its obligation to pay. Whether the reasons be political or simply buyer insolvency or default. (Last year, a record £584 million were paid out to exporters insured by ECGD.) In addition, an ECGD policy may help you obtain better rates of interest for export finance from your bank manager. The catch? There isn't one. More than ten thousand exporters a year of every shape and size have

Who wins if your customer wants to pay you but his country can't?

Big rises likely in taxes on properties

MANY AREAS in Britain face rises in rates (locally levied taxes on husiness and domestic properties) of 25 per cent or more from next April. This is if the local authorities which collect the rates maintain their budgets for 1981-85 at the present level in real terms.

Only by making substantial cuts in spending, or by using money held in balances and increasing charges, is there any propect of significantly lower increases.

Even then, a much more severe government penalty scheme for overspending, coupled with a cut in spending to be funded by Government grant, makes rate rises below the level of inflation very unlikely in most whan areas next year. An analysis of spending and grant shows that all the metropolitan countries outside London would need rises of between 19 and 29 per cent if this year's spending levels were maintained. In the metropolitan districts, the range would be between 12 and 35 per cent.

London is an exception. A number of local authorities, including the City of London, the Greater London Council Inner London Education Authority, Camden and Westminster, receive no grant either because they are too rich in rateable resources or because they spend so far over the Government's

They are therefore snared penalties and the vagaries of the grant allocation system which causes wide annual fluctuations in rate bills.

Without cuts and using balances. only two English councils - Crawley, Sussex, and South Ribble, Lancashire. - would be able to cut their

After-tax pay soars for highest salary earners

REAL TAKE HOME nav has risen substantially faster in the last five years for those on higher incomes. compared with those on average or below-average earnings, according to Treasury calculations.

For a married man with two children at present earning £44,500 a year - five times the national average - real after tax earnings are 54 per cent higher than five years of poorer people.

This increase is almost 10 times that received by a married man with two children with average earnings (about £8,900 a year). His real after-tax rise during the period

paid was mainly the result of the average earnings. 1979 Budget, when higher-rate in-

come taxes were abolished. Since then the rises, after taking account of inflation and tax changes, have been much more modest, although the real disposable income of the well-off has tended to increase faster than that

The figures, given in a parliamentary written answer from Mr John Moore, the Financial Secretary, show that the real after-tax rise for a man earning £44,500 be-

ter tax income for the most highly cent for a man with two children on

The equivalent man on 10-times average earnings gained 3.4 per cent in real terms during the peri-

proportion of income taken in taxation has risen significantly for those with average or below average earnings.

children on average earnings, in come tax and national insurance contributions, less child benefit now account for 22.5 per cent of tween 1979-30 and 1983-84 was 2 per gross earnings. This compares with cent, compared with a rise of 1½ per cent in 1978-79.

NCB to develop Belvoir mine

THE NATIONAL Coal Board (NCB) vesterday gave a firm go-ahead for the development of the Asfordby mine in the Vale of Belvoir, Leicestershire, nearly a year after final environmental approval was given. The project is estimated to cost

£400m at present prices. The announcement of the project by Mr Ian MacGregor, NCB chairman, was clearly aimed at weakening the opposition by the National Union of Mineworkers to the programme of accelerated pit closures and to the board's final 5.2 per cent pay offer. The union leadership has ejected the offer.

The project still awaits what should prove to be the formality of the Government's final approval. Asfordby, one of three potential voir, should produce 2.2m tonnes of

1,200 jobs when it is in full production in about eight years' time.

It is the biggest investment undertaken by the NCB since the deci-sion was taken to develop the Selby mine in Yorkshire in 1976, which started to produce coal earlier this

The NCB has also decided to build a £10m smokeless fuel plant at Aberaman in South Wales to produce boiler and room-heater briquettes according to the West Ger-

nouncement about the two developments after a visit to the Bagworth Colliery in the South Midlands. In line with his tactics of speaking directly to the miners, he said: "These economic mines in the Vale of Bel- and other projects already apcoal annually and would provide tinuing proof of the board's inten- area

worthwhile projects in the coal in-

ning down the industry," Mr MacGregor continued. "We are building a new industry from the old, and kitting up with the high ology equipment needed."

The Ancit plant, based on a sys tem evolved a dozen years ago by MBV, will be built alongside the ageing Furnacite facility of National Smokeless Fuels at Aberaman in South Wales. It will produce 90,000 tonnes a year for the "closed appliance" market.

put there will be gradually phased out and replaced by Ancit, which is much cleaner and will help to re proved or in the pipeline are con- duce atmospheric pollution in the

Economist to start printing in **Singapore**

By Alan Pike, Industrial

THE ECONOMIST magazine will lomorrow add a second stage to a programme of worldwide expansion with the opening of a printing and distribution operation in

Singapore.
Since 1981, the Economist has winted in the U.S. as well as the UK. Under the new deve market - including Hong Kong, Japan, India and Australasia will be produced each week on the presses of Times Printers in

Pages for the U.S.-printed cop-ies of the Economist are transmitted from London by satellite. While this development is expected to be introduced eventually on the Asian operation, the Singapore printer will initially be supplied with film flown from London by Singapore Airlines.

London by Singapore Airlines.

About 96 editorial and advertising pages a week will be des-patched to Singapore. Special clearance arrangements should allow the film to reach Times Printers within two hours of arrival in Singapore.

to be available in the Asia-Pacific region up to 48 hours earlier than has been possible by sup-plying by air from the UK. The UK, U.S. and Asian-pro-

duced copies have the same edi-torial content, although the order of sections alters. Directors of the Economist re-

gard their U.S. printing operations as evidence that regional production centres on a global scale can offer major chances for

Scott Lithgow yard in move to avert cancellation of rig

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

builders' yard on Clydeside in Scot-land, which faces default and closure over delays in building a £86m drilling rig for Britoil, told its clients yesterday it was still possible to complete by January 1985.

The client consortium of Britoil and Ben Odeco, an American drillship operating company, indicated it was unlikely to accept the Scott Lithgow claim, a decision which could lead to cancellation of the

A more realistic completion date for the big offshore rig, which is un-der assembly at the Port Glasgow yard, is March 1986. Scott Lithgow hopes that date can be accepted after a series of claims against the clients over design difficulties.

The fate of the yard, with its 5,000 workforce, has developed into a war of nerves between the recently privatisad Britail and the state owner British Shipbuilders. Britoil wants Mr Graham Day, chairman of British Shipbuilders, to renegotiate the deal, a move which would be likely to lead to substantial savings on the cost of the rig. It is an option which Mr Day has so far rejected.

Mr Day has apparently played for time, hoping for a productivity agreement which would allow flexiole working among British Shipbuilders nationwide, including Scott Lithgow. This, along with recent managerial improvements at Scott Lithgow, would improve its credibility as an offshore yard.

Scott Lithgow last year lost £66m out of British Shipbuilders' total losses of £117.4m.

The latest and most severe crisis facing the yard arose when Lloyds

SCOTT LITHCOW, British Ship- Leasing - the Lloyds bank subsidiary which is financing the deal served notice at the start of this month, under contract terms, to demand that the yard show within 30 within a 300-day period.

Scott Lithgow yesterday com-plied, supplying extensive docu-mentation to Ben Odeco's offices in Edinburgh Mr Peter Milne, Scott

The gist of the Scott Litingow position is understood to be that, give en extensive additions in terms of equipment and manpower, then the job could be completed by January

Its series of claims against the client consortium would, if accept-ed, roll back the deadline or "drop d" date, as it is known, and also push back the start of penalty payments against the yard.

Aiready, 26 days have been added to the delivery date, which was originally set for April of next year. A 300-day period is automatically added to this delivery date before the final "drop dead" date, which is February 1985. With penalty payments of £17,000 a day, Scott Lithgow would stand to lose over £5m.

The Scottish yard is also behind chedule with a semi-submersible rig for BP, due for delivery last February and now facing a final deadline of December 25.

British Shipbuilders' manager have expressed fears that BP will want to negotiate at the last minute to effect substantial savings, similar to those achieved over the late delivery of a tanker from Scott Lithgow in the past year.

BCal to freeze domestic fares

By Michael Donne, Aerospece Correspondent

BRYFISH CALEDONIAN Airways (BCai), yesterday made a swift response to British Airways' freeze on days that it could complete the rig domestic fares by announcing a standstill on increases in its own fares between Gatwick (near London) and Glasgow, Edinburgh, Man-

chester and Jersey.

BCal rates will stay at present levels for "an indefinite period," Lithgow's managing director, would levels for "an indefinite period," give no further details of his reply which is likely to mean the whole of

> The airline had planned to seek fare increases of up to 5 per cent. This would have raised the single rate between Gatwick and Scotland from £59 to £61.50. The BA single rate from Heathrow to Scotland

slaving at £58. BCal had thought that BA also intended to seek fare rises, and was taken by surprise when it an-nounced the fares freeze.

As a result, BCal yesterday morning notified the Civil Aviation Authority (CAA) of its change of mind. A BCal spokesman said the airline's domestic traffic was showing healthy growth. Next year it expects to carry more than 530,000 passengers Under the CAA's new policy of

having only one major internal fares change each year, the airlines have been asked to state their intentions now, for the fares year starting next April 1. By announcing a freeze, both BA and BCai will effectively be obliged

to maintain their rates at current levels through to the end of 1984 at least when they will be asked by the CAA to file their plans for the fares year starting on April 1, 1985. Only if an emergency occurs, such as severe economic difficulties for the airlines, will they be able to ask for fares rises before that time.

ASSURANCES SOUGHT OVER SALE OF FOREST LANDS

Cuts into assets of the future

STRONG EMOTIONS are being stirred over the future of Britain's forests. Many critics of the Government's policy feel that too much land is being sold off to the private

sector too quickly.
The state-owned Forestry Commission, set up just after the first world war, is doing only what it has been told by the Government - to raise 682m from asset sales by ear-

ly 1986. But trade union representatives who vesterday met MPs from forestry areas fear that severe social and economic consequences could

The unions would like to see: A Government guarantee of no

sales, despite regular questioning from MPs and has progressively in-creased the sums which it wants the Forestry Commission to raise.

When the Forestry Act came into force in 1981, the Government set a figure of about 180m to be raised over three years. This became 185m over four years, and then more than

The commission, based in Edinharvesting could be jeopardised. for private investors in forests.

who owns the forests? A great deal, say the unions. Not so much, feels the commission's call on its

commission received 257m of gov-

give any assurances at all on future errorsent money, £46m related to its business and the rest to administra

> The sales will represent about 8 per cent of the commission's assets of £1.1bn. These include more than 909,000 hectares is productive forest (roughly half the total in Britain).

Concern for jobs and the rural way of life is central to union opposition to the sales. But there are burgh, is gamely proceeding with other major objections such as the the sales, but it says it would not problem of future public access to like to have to go beyond the pres-woodlands, the possibility that new ent programme. It is conterned that owners will fell trees too early and its own programme of planting and the existence of large tax benefits

and long-term supplies to user in-In the 1981-82 financial year, the dustries such as paper and saw-

Metal trader loses appeal

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

METAL TRADERS (UK), a subsidiary of Metal Traders of New York, had no right to intervene in a legal action brought by Sanders Lead Co. of Alabama, against Entores Metal Brokers, the Court of Appeal in London ruled vesterday.

Metal's only connection with the ction was the fact that it claimed to be a creditor of Sanders Lead International a subsidiary of Sanders Lead Co. It had obtained a Mareva injunction freezing SLI's English ssets, part of which, Metal contended, were the subject matter of the action by SLC against Entores,

But that "mere commercial interest" in the outcome of the action was not a reason for allowing Metal to intervene in it, the judge held, allowing SLCs appeal against a Com-mercial Court order joining Metal as a defendant in SLCs action.

general importance to the question not SLI had sold the lead to Er whether an alleged creditor who had obtained a Mareva injunction should be allowed to intervene in an action with the subject matter of which it was in no way concerned.

He said that Metal claimed \$1.45m damages from SLI for alleged breach of contracts for the sale of lead. SLI demed liability and also denied that the contracts were subject to London Metal Exchange

assets in London and discovered that Entores was about to pay SLI \$223,197 under another lead sale tion freezing all SLI's English as-sets. The injunction included the \$233,197, which Entores agreed to

Metal therefore looked for SLI

pay into a special account. SIC thereupon stied Entores for SICs action was an that sum, on the ground that it and owed to it by Entores.

mercial Court had no jurisdiction to join Metal in the action. There was no issue between Metal and either SLC or Entores that arose from related to or was connected with the

action, he said. It was true that Metal would suffer immediate and direct financial loss if SLC won the action, but only because Metal was an alleged cred tor of SLI, whose assets, if SLC

won, would not include the \$223,197. But, the judge said, Metal had no legal interest in the sum, which was simply money earmarked by Entores for paying what it believed to be its debt to SLL Even if Metal did have such an

interest, the position would be the

same, because the subject matter of

SLCs action was an alleged debt **Britons turn first towards Europe**

BY ANDREW TAYLOR

THE BRITISH place more store by tionship with the Commonwealth, their political and economic relathan they do with the U.S. or Com- March 1909 - four years before Britmonwealth countries - but they find Australians much more trustworthy than the French.

These conclusions are drawn from an opinion poll conducted by Gallup this month and published in New Society magazine. The poll indicates that 60 per cent

of Britons believe people in Hong Kong should be allowed to decide their own future. According to Mr Richard Bourne, deputy director of the Commonwealth Institute, this popular opinion could embarrass the Government when the time comes to sell to the British public any agreement with China on the future of the colony."

The survey shows that the relative importance attached by many Britons to the country's special rela- port from only 21 per cent.

ain joined the European Communi-

tioned placed Britain's relationship with the U.S. ahead of the country's ties with the EEC in the latest poll, which was conducted just after the U.S. invasion of Grenada.

portant than the relationship with

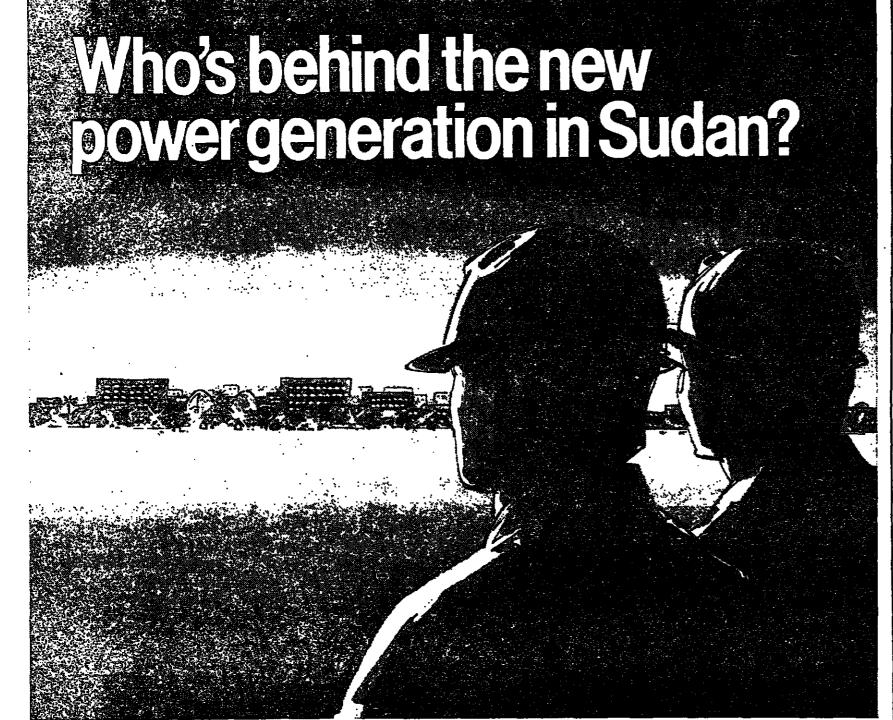
The survey in 1969 showed 34 per cent of the population supporting Britain's ties with the Common-wealth (a similar proportion supporting the U.S.) in preference to its links with Europe, which drew sup-

fection for the Commonwealth even tionships with continental Europe since a Gallop survey conducted in if it is no longer regarded as being of prime strategic importance. Some of Britain's European competitors do not appear to be so warmly regarded in a survey of how trustworthy different nations appear. According to the latest Gallup

Many Britons retain a warm af

poll, 73 per cent of those questioned regarded Australians as very or fairly trustworthy. An earlier poll Forty per cent said that Britain's conducted by Gallup in October links with Europe were more im- 1980 showed that only 32 per cent of respondents regarded the French in the U.S. or with Commonwealth the same category of being trust-

Mr Bourne said: "Not only does Australia come top altogether, but Indians and Jamaicans - well known to the British public from iortably outdistance



Capper Neill, of course!

When commissioning is complete; the 40MW generating station at Burri will augment the power supplies for 2 million people in Khartoum and its surrounding areas. The £25 million turnkey contract for design, supply and construction is one of many environmental projects being carried out by Capper Neill in the Middle East and Africa. Refinanced, restructured and strengthened by their recent association with CCC, a leading Middle East civil construction group, the new Capper Neill is soundly based



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BUSINESS LAW

Undigested language of the statute book

comes through in an undigested form. I think you make this point yourself, Lord Hailsham. in your lectures: Unconsidered

Miss Emma Warburton Hamlyn was an autocratic and "very intellectual" Edwardian lady, wearing long dark dresses and large dark hats with semi-herbaceous borders. Widely travelled, she came to the con-opinion, is the method of interclusion that the English legal system was best. When she died in 1941, she left the residue of her estate "for the furtherance. by lectures or otherwise among the common people of the UK. of the comparative juris-prudence with the intent that they should realise the privileges which in law and customs they enjoy in comparison with other European peoples." But Lord Hailsham, the 35th Hamlyn lecturer, did not limit himself to a panegyric. As might be expected, Lord Hailsham presented contemporary problems of English law in the widest historical and social perspective. Miss Hamlyn should realise the

social perspective. Miss Hamlyn would have been pleased, for she was interested not only in jurisprudence but also in "ethnology." It is interesting to compare Lord Hailsham's critical lectures with those given by the first Hamlyn lecturer. Mr Justice Denning, who found it easy in 1949, to deliver the indiluted praise which Miss Hamlyn would have hoped for, when he chose as his subject, "Freedom under the Law."

One of the most topical themes which emerged in Lord Hail-sham's penultimate lecture, was the way that law has moved from protecting status to pro-tecting contract. In the Middle Ages, law buttressed the status of the feudal lords of town guilds, of the head of the family children, and against all com-mon people who did not belong. Since then the law has shifted so that it seemed that contract was supreme—already Rousseau had to invent the "social contract" to justify his concept of civilised society.

In the past 40 years, howev Lord Hailsham observed that the tide had ebbed and law had moved back towards protecting status, albeit with different social effects: it gradually regu-lated more and more the terms of contractual bargains between landlord and tenant, between employer and employed. between marriage partners, between the businessman and the consumer, always to protect the

weaker party. Unfortunately, this

all lawyers, and I believe, all Lord Hailsham, the Lord Chancellor, by legislation are faced with and was remarkably critical of the language their unintelligibility... The of statute law during a lecture this year impression one has is that a great deal of the detailed on the British legal system. A. H. material in Acts of Parliament HERMANN, Legal Correspondent,

Then Sir Patrick Neill QC, was discussion broaders on Radio 3 last week, turned to Lord Hailsham, who said: "Yes, I think I do."

The panel, also comprising Lord McCluskey, who was a Labour Solicitor-General for Scotland and Sir Idwai Pugh, the Ombudsman from 1976 to 1979, was discussing the Hamlyn lectures delivered by the Lord Chancellor last May:"

Miss Emma Warburger of Parliament, it was "a sort recently published Government Response to the Report of the Response to th comparable statute books of other countries."

> opinion, is the method of interregrets the narrow view which bars the court from looking beyond the text of the statute beyond the text or the statute to its origin and purpose. Although he does not think that the study of Hansard would be useful, blue books and the Law Commission's reports might be.

"Too many Bills, too long and unintelligible, and I don't know what you do about it," but Lord Hailsham knows that "it's the House of Commons which needs to consider its own

While waiting for the Com-mons to mend its ways, Lord Hallsham will turn his attention



LORD HAILSHAM No panegyric

many law reform proposals, the policy of "no change" seems to be truly bipartisan and the fate of the review, one is afraid, will be the same whether the

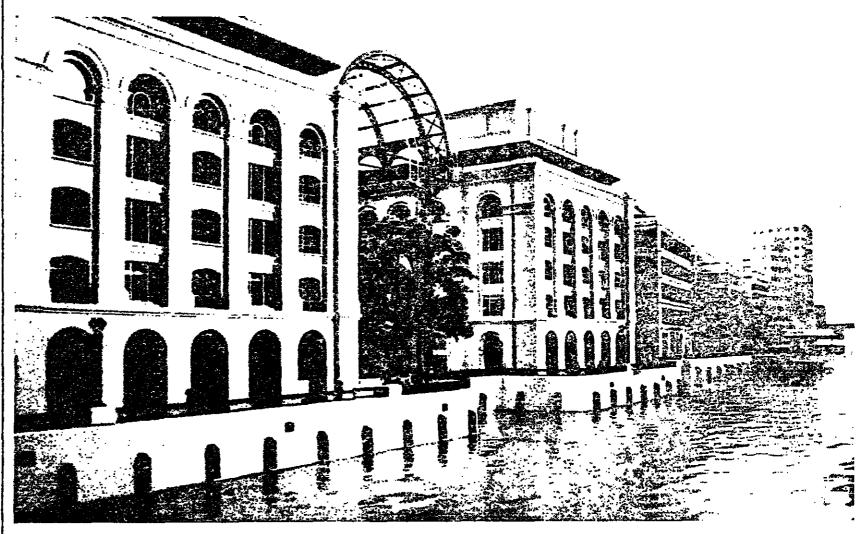
pretation adopted by the courts.

Those favouring literal interpretation have won the day in the battle with those who think judges should be guided not by grammar but by the intent of Parliament. Lord Hailsham

The Government's response is certainly in full sympathy with the "no change" recommendations of the Royal Commission and the two branches of the legal profession seem to be well entrenched. They have survived the law's movement from status to con-The Government's respons movement from status to con-tract and from contract to statutory protection of the weaker party to a bargain. Together with the TUC, the Stock Exchange and the numerous monopolies and oligopolies which thrive in the absence of a competition policy, they are still in a position to resist progress towards greater efficiency.

> However, things are not entirely black. A number of improvements in the judicial system have already been adopted, particularly in the Chancery Division and in the Court of Appeal. The move towards shorter oral hearings by the introduction of skeleton written pleadings is likely to written pleadings is likely to be followed by greater judicial control over proceedings, usual both on the continent of Europe and in the U.S. Criticising a case of particularly bad delay, Sir John Donaldson, MR, said presently that the computer and recently! that the computer and word processor "now made it technically possible for all courts to take an initiative in present policy of inertia on the part of the courts."

Nor does the Court of Appeal content itself with exhortations In a judgments last week solicitor was ordered personally to bear the costs of his client because he had blindly followed counsel's advice and continued litigation, funded by legal aid, although it was evident that the client had no chance of success. The judge issued a warning but could not stop the trial. The threat of having to pay costs is likely to be more effective.



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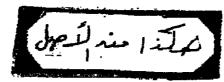


plane is actually quieter than its predecessors.

However, what is most impressive about BIG TOP isn't the exterior, but the interior.

SIA has had it laid out to its own specifications. The upstairs deck is twice the size of a normal 747's and has It has a gross take-off weight of 377,846 kgs. (It's the equivalent of over 45 double decker buses taking off at once.) And it is powered by four Pratt & Whitney engines, each developing 54,750 lbs of thrust.

Yet, despite this increased size and power, this aircraft from Heathrow four times a week as part of their daily service to Singapore and Australia. Appro-priately, the 747-300, with its stretched upper deck, has been dubbed BIG TOP by SIA. It is an outstanding example of aviation technology. If you woke up too late for the event this morning, don't worry. You can always catch the plane tomorrow. Or on Monday, Tuesday or Friday. From today, Singapore Airlines will be flying this remarkable



been designed as a single cabin to accommodate the gusiness Class.

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you have the choice of sitting by the window or the aisle.

Downstairs, the First Class cabin is one of the most spacious in the world, with every seat a fully reclining Snoozzzer.

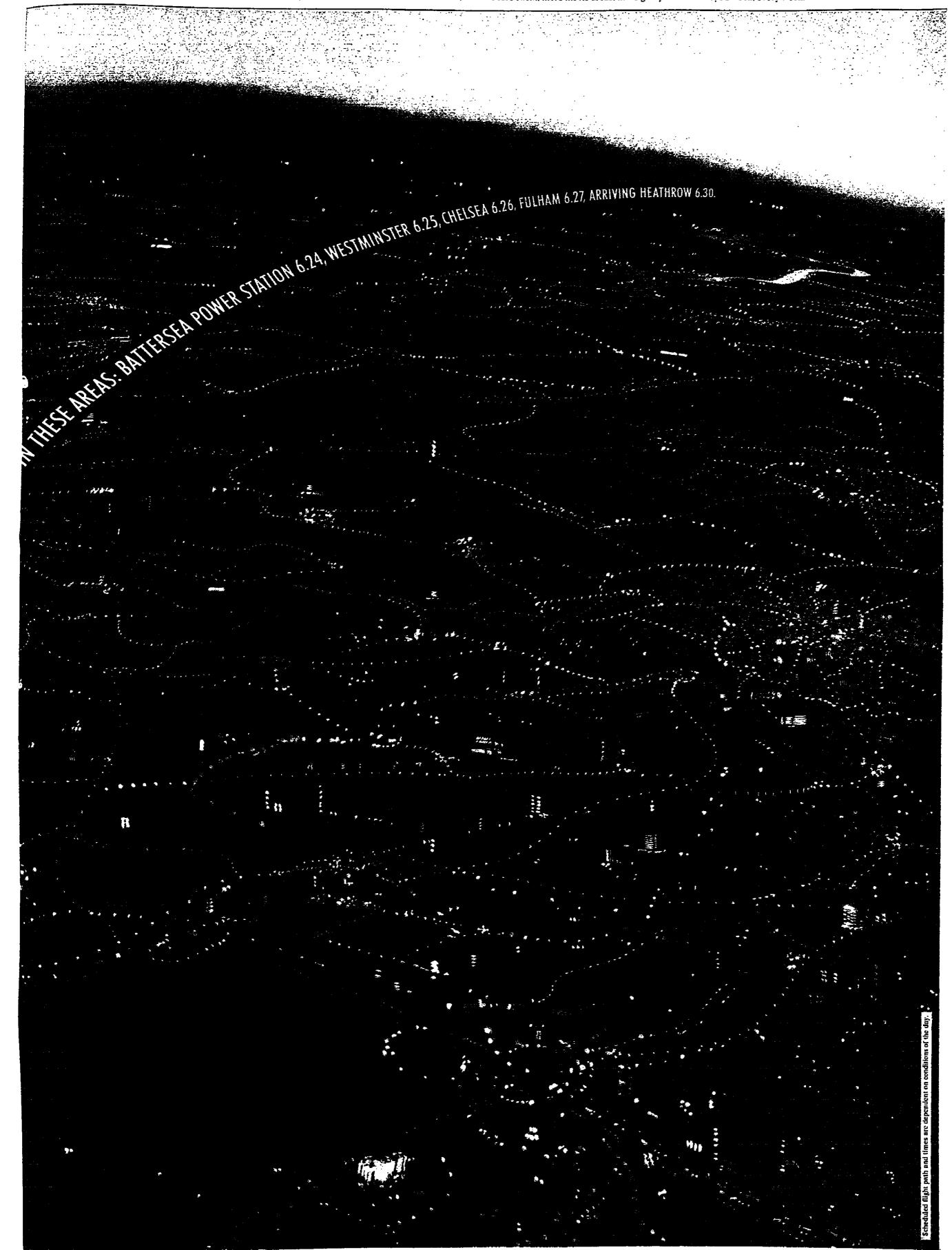
Economy Class, too, has its share of extra room,

with more space to stretch out between the specially contoured seats.

In fact, because of its unique interior design, BIG TOP has more of just about everything.

More room, more movie areas, more galleys. And

more gentle hostesses to give you the kind of inflight service that even other airlines talk about. If you don't catch a glimpse of it in the air, catch it on the ground to Singapore and Australia. From Heathrow, four days a week, every week. **SINGAPORE AIRLINES**



MANAGEMENT

EVERY sizeable company needs to keep one eye on its organisational bone structure sizeable to see whether it still suits the

Having done this and discovered an ill-fitting mismatch, Fothergall and Harvey, one of the UK's leading suppliers of specialist products for industry has spent the past three years cracking open its division-based mini-empire to produce a dozen semi-autonomous com-

Fothergill is still digesting the changes and chewing over problems which might emerge in their wake. But it now knows that for any middle-sized company like itself with a number of advanced technology products three questions have to be squared up to in this process of decentralisation.

Does it have the personnel successfully to head these separate businesses without, for the first time, the day to day handholding interference of the main board? Can the board still maintain its overall grip on strategy? Will it be able to keep in check any inclination towards operating selfishness among those separate companies which should have research and production links with each other?

Fothergill, with its headquarters at Littleborough, near Manchester, employs 900 at a number of UK sites and one in the U.S. Its products are incorporated into a wide range of equipment and premises from helicopters and jet engines and the nose come of Concorde to the nose cone of Concorde to food factory conveyor belts.

The company decided in 1981 that its organisation — basically a single company with three divisions and with most decisions moving in one direction (from the board down) — needed to be torn apart and

The structure had been outgrown by the pace at which the company had expanded both geographically and in the number of its products as it moved further into advanced composiles for the aerospace industry, fibre optics and high technology electrical insulating. Some of this had been done by acquisition with new companies some-times simply grafted onto the

corporate fingers into too many pies, involving itself in too many operating decisions.

chief executive, says the results in charge of the companies. All were an unnecessarily burdensome central administration tied created during the past three to an inefficient paperwork system, and a clamp on entrepreneurial instinct. The recession has been an added spur. Fothergill is now split into 12

Taking fingers out of too many pies

Nick Garnett explains why Fothergill & Harvey re-shaped its corporate structure



companies), each with a managing director. These are, in effect, self-sufficient units. Almost all their expenditure is under their own control and fed into their profit and loss calculations. Before restructuring a half of these costs were subsumed into central costings.

"The responsibility for prodivisions.

It also permitted the board much leeway for dipping its and asset control was handed over to the people actually running the business." says Conway.

Much of this responsibility fails on the shoulders of a new Peter Conway, Fothergill's tier of 12 managing directors years have been filled by Fothergill people who have never had that type of never had that type of "In the responsibility before. there was "It certainly sorts out the personnel,

companies (and two associate wheat from the chaff," says Ian director: in other words most of these managing directors have blossomed under this burden but some will not make

> "It's allowed them to broaden at," says Scollay, "For the first three months my telephone never stopped ringing but now they are saying 'let me get on with it."

Barrie Gibbons, 52-year-old former general manager of the Tygadure division is one of Fothergill's new managing directors — at Fothergill Engineered Polymers in Bridgewater, Somerset. "With this new structure,

the minimum time to appreciate most of the running problems is about a year," says Gibbons. "In the divisional syndrome of cross-company operating there was central control of directors it hopes to keep such

acted upon decisions already made. All problems were thrown to the top. Now the separate companies are coming up with strategic ideas and

jobs has travelled some way down into these companies. Gib-bons' sales and production dir-ectors are each going on a

calls a "defensive mechanism to protect the board's overall strategy and maintain its vision on the way the separate business units should provide technical asistance for each other on product development.

There are three operating directors who sit on the board. They each have a portfolio of Fothergill companies and sit as chairmen of these companies while being non-executive directors of the other businesses. Two of the operating directors play a role in every one of the Fothergill companies.

One of the possible handicaps in such a decentralised corpor-ate structure and to which the role of the operating directors is partly addressed is on technical development.

Each Fothergill company has

a specific focus in the market. The problem is in recognising where Fothergill should exploit an opportunity which does not directly focus on one company but needs the viewpoint and resources of two or more. So far, Conway is reasonably confident that the structure and the operating directors' role cover this problem. A further difficulty arises

though if companies become too self-protective. Company A might have to carry out technical development work for com-pany B which will promote the future growth of the second company but provides no posi-tive benefit for company A's balance sheet. Instead it temporarily drains its manpower.

Gibbons, who, like the other managing directors is now esponsible for the bottom line. believes that there could be some battles over this. "Some people can be very selfish about their bottom lines," he says. Fothergill has a method of

subsidising some development work from the centre. It also has people at Littleborough who can be "leant" out to provide technical assistance, and a way of adjusting profit targets of individual companies to reflect the amount of enabling work they do for other group companies. By these means and the use of cross-company cross-company cross-company operating

then asking 'Does the board agree?' "
The process of beefing up

month's study course to pre-pare them better. AS WOMEN'S liberation continues to push the Male Chau-Fothergill has what Conway vinist Pig out of the limelight,

so the Career Chauvinist Pig is coming to the fore. The CCP is defined as anyone of either sex who counts his or her own career more important than liv-ing a caring, sharing married To anyone thinking of espousing a CCP, the only wise advice is: Don't! As life-partners they

are bad news to all of us, men and women alike. The trouble is that because CCPs are a newly observed phenomenon, there is not yet a scientific method of detecting them in advance. But their potential for inflicting mayhem on innocent partners is enough to make any hints on identifica-

tion, however sketchy, better than none. Fortunately estimates have just become available of the re-lative risks of landing oneself with a CCP entailed in marrying executives from various different countries. The estimates have been obtained by re-analysing the data of a survey pub-lished in the October edition of International Management magazine of the life-styles of executives' spouses in Brazil,

in Japan and Sweden. ences in three named major companies; describes the failure of two to take advantage of technological change, and the success achieved by the third in "reinterpreting" its mission and ceasing to be a oneabstracts product concern. Argues that R & D staff should be afforded maximum possible freedom, with their recommendations given full consideration in

strategy determination. Increasing Insurance S. Hommerin in Di Marketing (US), Jan 83. Diustrates the successful launch of Centraal Beheer, a Trade union tutors and their Dutch insurance company, into Belgian car insurance by estab-

Relations (UK), Vol 4 No 3. Identifies companies that send shop stewards on training courses, considers why em-ployers and unions wish (in some cases do not wish) stewards to attend and quotes

Profiles in innovation. J. Goldman in Directors Boards (US), Winter 83. Relates the author's experi-

Worldwide career/spouse compatibility ratio

France, Germany, Hong Kong, Italy, Japan, Mexico, the Nether-lands, Singapore, South Africa, Sweden, the United Kingdom, and the United States. The re-analysis indicates that

anyone, anxious to avoid landing him or herself with a CCP would do best to marry some-one from the U.S., with the British coming a respectable second. But citizens of Hong Kong should be avoided. It is important to note, now-

ever, that taking the greater risk of marrying a CCP is not necessarily also to take the greatest risk of living unhappily ever after. The feeling that the worthwhile was in fact by far the strongest among the spouses in Hong Kong.

in Hong Kong.

In each of the 13 countries
International Management
asked the wives or husbands
of executives about the effects
on them of their partner's
career. Of all the spouses
answering the questions, 87 per
cent were women and 13 per cent were women and is per cent men. But within the total the proportions differed with nationality, ranging from 98 per cent women and only 2 per cent men in the UK to 78 per cent women and 22 per cent men

lishing a computer-operated database, testing various

CCP attitudes affect the other be taken as a standard against part of the couple in various which to assess the individual

ways. Spouses who also go out countries' responses to the same to work will be affected by the question.

extent to which their own career advance is restricted by the partner's claims, and so on spouses answered never, the Spouses who stay at home will partners are worse than average be affected by such things as the extent to which the other by the CCP criterion in that particular regard. The opposite applies to the partners in the U.S. where only 10.7 per cent of person accepts a reasonable

person accepts a reasonable share of domestic responsibilities, and how much amenitles like social life have was never sought from them by sacrificed to career demands.

Other things have an effect and calculating by how much a regardless of whether the country's partners score better or worse than the average in threatened by the partners job, and how much either party is permitted or willing to take an interest in the other's concerns.

owing table.	
United States	+68.0
United Kingdom Germany	+47.5 +23.9
Mexico Netherlands	+13.T
Singapore	+ 7.2
Sweden Brazil	+ 55 - 7.0
South Africa	- 3.3 14.7
France	-34.2
italy	~34.9

Management

through. Chief Executive (UK), Dec 82.

Surveys management buy-outs in the West Midlands, examines reasons for their success and points to higher ployee commitment, with no significant difficulty in maintaining line of credit or customer loyalty.

students. D. Bright + T. MacDermott in Employee

ne management exercise. D. Despres in Journal of European Industrial Training (UK), Vol 6 No 4.

UK CLAIMS LEAD IN PIPE MAINTENANCE

Sewer robot scrabbles

cises and their value, contrasts them with management games, traces their development, and presents examples and guide-lines for their introduction. De you fight or pay up? D. Harvey in Chief Executive (UK), Dec 82 Discusses how a company should react if threatened with

Direct

being taken before an industrial tribunal; explains the workings of the tribunal system, warns of some pitfalls—and hidden costs —for the employer, but reports that only a quarter of the cases reaching tribunals are upheld.

An example of the common factors—and of the method used

to work out the CCP coefficients for the 13 different countries is provided by the International Management survey's question:

Does your partner seek advice from you on business problems?

Taking all the countries together, the answer was "Never!" in 18.4 per cent of

cases. That overall figure can

Jeb enrichment through symbol management. D. J. Moberg in California Management Review (U.S.), Winter 81 Suggests that, in a job enrichment programme, a job change will not be regarded as positive approaches, inter alia press, door-to-door, direct mail, and judging results in terms of types of customer and type of product to be offered. unless job-holders are encouraged to view it as such; discusses how managers can use language, patterns of activity and group meetings to convey the impres-sion of an enriched job. Manager, manage thyself! S. C. Aggarwal in Business Hori-

zons (U.S.), Jan/Feb 83 Argues that the personal gains/comforts of managers are often inimical to overall comperformance: gives Dany examples of wasteful/unneces-sary functions with which middle managers/section heads surround themselves, and advises on identification and elimination.

Keeping vehicles on the road. T. Annan in Accountancy Age (UK), 6 Jan 83

Summarises principles of effective transport fleet operation, particularly the collection/ analysis of costs, replacement policy/vehicle choice, and maintenance control.

These abstracts are condensed from the abstracting journals published by Aubar Licensed copies of the original articles may be obtained at £3 each (including VAT and P and P; cash with order) from Anbar, PO Box 23, Wembley HA9 8DJ.

TECHNOLOGY

EUROPE EMBARKS ON MANNED SPACE FLIGHTS NEXT WEEK

The shuttle flies again

By Michael Donne, Aerospace Correspondent

EUROPE embarks upon manned space-flights for the first time next Monday, when the Euro-pean Space Agency's \$1bn Spacelab is due to be launched into near-Earth orbit aboard the U.S. Space Shuttle mission STS-The Spacelab, built by a con-

sortium of European companies headed by MBB-ERNO of West Germany, is a manned labora-tory designed to be carried in Space Shuttle Orbiter

rehicle's cargo bay.
Carrying a six-man crew, headed by veteran astronaut John W. Young and including several men making their first trips into space, the Shuttle-Spacelab mission is designed to last for just under nine days. from the launch from the Ken-nedy Space Centre, Florida, to the landing at the Dryden Flight Research Centre, Ed-wards Air Force Base, Califor-

nia.

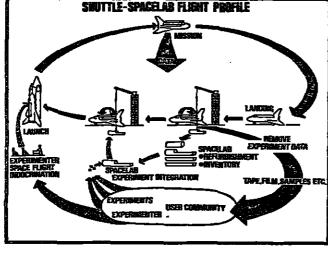
The orbital nath will be circular, about 250 kilometres (135 nautical miles) above the Earth, inclined to the equator at 57 degrees.

Complex

During the mission, the aim is to verify all the complex systems of the Spacelab and their interface with the Space Shuttle system itself. The Orbiter vehicle being used is Columbia. At the same time, the mission will conduct more than 70

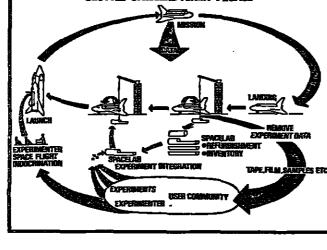
separate investigations in five broad areas of scientific re-search: life sciences; atmos-pheric physics and Earth observations; astronomy and solar physics; space plasma physics and material sciences and tech-

K. Garriott, a veteran of an ear-lier manned space mission by sible for the Nasa-sponsored the National Aeronautics and portion of the payload, and for Space Administration, and Dr overall management of the Space Administration, and Dr Robert A. R. Parker, also making his first space flight. The



two latter are Mission Specia-

The Payload Specialists are not career astronauts, and are not required to know how to fly the Shuttle Orbiter itself or operate its systems. They are career scientists and engineers, selected to fly in space on a particular mission and will devote themselves to conducting experiments.



The Payload Specialists are Dr Byron Lichtenberg, from Massachusetts Institute of Tech

In addition to Commander
Young, the Shuttle-Spacelab
crew will comprise Orbiter pilot
Brewster H. Shaw Jur., making
his first space flight; Dr Owen

The experiments for the mission are being provided by scientists in 11 European countries, the U.S., Canada and Japan, The U.S. Marshall his first space flight; Dr Owen

Spaceflight Centre (MSFC) in The experiments for the



own Spacelab Payload Integra-tion in Europe (SPICE) team is responsible for the European portion of the payload.

Massachusetts Institute of Technology, and Dr Ulf Merbold, of MaxPlanck Institute, of West Germany, representing the European Space Agency.

Dr Merbold is the first non-American to fly aboard a U.S. spacecraft, and is also making his first space flight.

The Parload Specialists are Much depends on the overall success of the mission STS-9. the ninth Space Shuttle mission, is designed to continue to perfect the myriad techniques and complex systems of the Manned Re-usable Space Transportation System (STS).

More than 100 Shuttle launches are planned through the rest of this decade, and every mission is regarded as vital for the long-term development of the Space Shuttle system for commercial and other work in space, including the eventual building of a permanent manned space station regularly supplied from Earth. Spacelab is even more vital

for Western Europe, for it rep-resents the culmination of many years of work to develop a system that can be used both commercially and scientifically by European organisations and companies to conduct their own activities in space.

Lacking its own manned space launching capability, the Spacelab has been designed specifically for use in the Space Shuttie.
Under the European-U.S.

agreement between the European Space Agency and the National Aeronautics and Space Administration, signed in 1973, NASA will not build its own Earth will be via the Tracking Spacelabs, but procure them and Data Relay Satellite System only from its European partner (recently launched by the (unless the Europeans fail in Shuttle) through to the Spacetheir own responsibilities). NASA has already ordered a Goddard second Spacelab.

The agreement provides for the establishment in Europe of a production capability "to ensure that the U.S. can procure additional Spacekabs, components and spares at reasonable prices" for its own purposes, in addition to any additional Spacelabs that the Europeans may also desire.

The agreement also stresse that the Spacelabs will be used solely "for the peaceful exploration and use of space."

A long-term programme of close collaboration between the ESA and NASA is thus envisaged, during which additional, refined and improved Spacelabs will emerga.

Each Spacelab is designed for up to 50 separate missions. Until the experience of the first two or three Spacelab missions has been absorbed, it will be difficult to judge precisely what the long-term future will be. Looking beyond the forthcom

ing mission, the two agencies are studying the possibilities of extending individual mission times, and augmenting the power available for experiments. The possibilities of eventual space Stations and free-flying, retrievable missions are also being studied, but for the immediate future the task is to prove the validity of the Space-lab as it now exists.

The Spacelab consists of two major elements: a pressurised, habitable laboratory called a module, in which scientists can work in shirt-sleeve comfort without space suit; and unpres-surised platforms called pallets designed to support instruments such as telescopes, sensors and antennae which require direct exposure to space. These elements can all be used either separately or in various com-binations, and return to Earth for refurbishing for re-use.

The Spacelab does not separate from the Columbia Orbiter vehicle, but remains attached to it permanently throughout the entire mission. The Payload Specialists fly into space in the Orbiter, and move into the Spacelab for their working sessions through a 3.3 feet wide passageway called the Spacelab Transfer Tunnel Communications and data flow between Spacelab

lab Data Processing Facility at

Greenbelt, Maryland,

Spaceflight Center,

beneath the streets "WATER RAT" is a robot claimed to be unique in allow-ing—for the first time—precise and heavy-duty repair work to

be carried out on pipes too nar-row for men to enter: The Water Research Centre (WRC) is in the final stages of testing the rat which consists of a multi-functional hydraulic arm, two close circuit ty (CCTV) cameras and an electronic controller. It can be pulled through pipes as little as 12 inches in diameter; once inside it can also probe even

inside it can also probe even tinier lateral connections. Mr Peter Rumsey, manager of applied technology at the WRC's Engineering Centre in Swindon, said "There's nothing like it in this country, and we lead the world when it comes to water and sewer system tech-nology."

To date, the WRC's rat has been demonstrated relining de-lapidated sewerage pipes for the benefit of UK water authori-ties. The authorities have supported a co-ordinated research effort since the WRC—a private company—was first established in 1979. This business helps to permit three quarters of WRC's £13 million annual revenues,

There is money to be made in maintaining the drains of the world. Mr Rumsey said that the UK alone has sewers worth some £50,000 million and water systems to the tune of another £25,000 million: "Keeping these systems in good working order is worth several per cent of their asset value each year."

But as the Water Authorities

WRC have taken the idea one step further by integrating a multifunctional hydraulic arm, CCTV and computer-controlled sensing.

The rat is winched along the major pipe—a self-powered version will be built next—where it first locates blocked lateral pipes. It prods the new lining with its hydraulic "arm" until a degree of give is But as the Water Authorities do much of this work them-selves, the WRC has now formed a consultancy, AWT, to bene-

fit from a "three to four year lead" and export this British expertise around the world. The renovation of an antiqua-ted sewer is a good example of how all this technology comes together. Drains become slow or



WRS engineers prepare to put the water rat through its paces underground.

WRC have taken the idea one This combination of auto step further by integrating a matic sensing and manual multifunctional hydraulic arm, ccrv and computer-controlled sensing.

This controlled sensing a matic sensing and manual dexterity has been combined in an electronic black box which follows the rat down the major

until a degree of "give" is found and then it stops automatically.

A cutter on the arm is directed to reopen the lateral pipe manually, guided very precisely around the junction with the aid of two CCTV cameras: one on the rat's back looking traits that looking straight down the main pipe; and a second more flexible

even blocked when the ord wastarts to crumble; relining instarts of freedom and hydraulic confined spaces which provide can wield a wide range of tools.

In order to unblock those lateral pipes once the new taking its TV camera with it. In order to unblock those lateral pipes once the new taking its TV camera with it. In instant be up to other taking its TV camera with it. In instant came and hydraulic came and hydr

follows the rat down the major pipe. It could allow one man to perform heavy duty pipe maintenance working semi-automatically at distances of anything up to 100 metres.

Water rat has cost the WRC just £40,000 to develop and a patent is pending. It will be offered to the Water Authorities which use the WRC sometime in 1984 for a minimal cost—we don't intend to profit cost—we don't intend to profit from them," said Mr Rumsey.... Applications -

He added that the robot certainly might have wider



Communications Cable TV system

SONY has unveiled a chemo system for transmitting digi-tal information over cable TV

Reception units for the home or office will cost the equivalent of £150 when it is first sold in Japan, while a basic transmitter to supply over a hundred homes will work out at \$20,000. The Cable Digital Audie-

Data (or CADA) system is capable of carrying facsimile, digitised voice, still pictures, computer games or any other kind of digital data over CATV. The company expects that it will first be sold to CATV companies, hotels, hospitals and schools when it goes on sale in Japan next

The basic transmission sys-tem translates digitised data into a form which can then he transmitted through regular cable lines or optical fibre cables with little noise interference from any other signal sharing the system.

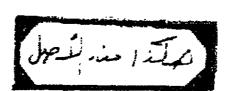
Japanese micro

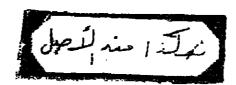
A JAPANESE business microcomputer, the Duet-16, has
broken the £1,000 price barrier
and is claimed to be faster than
the more expensive IBM PC.

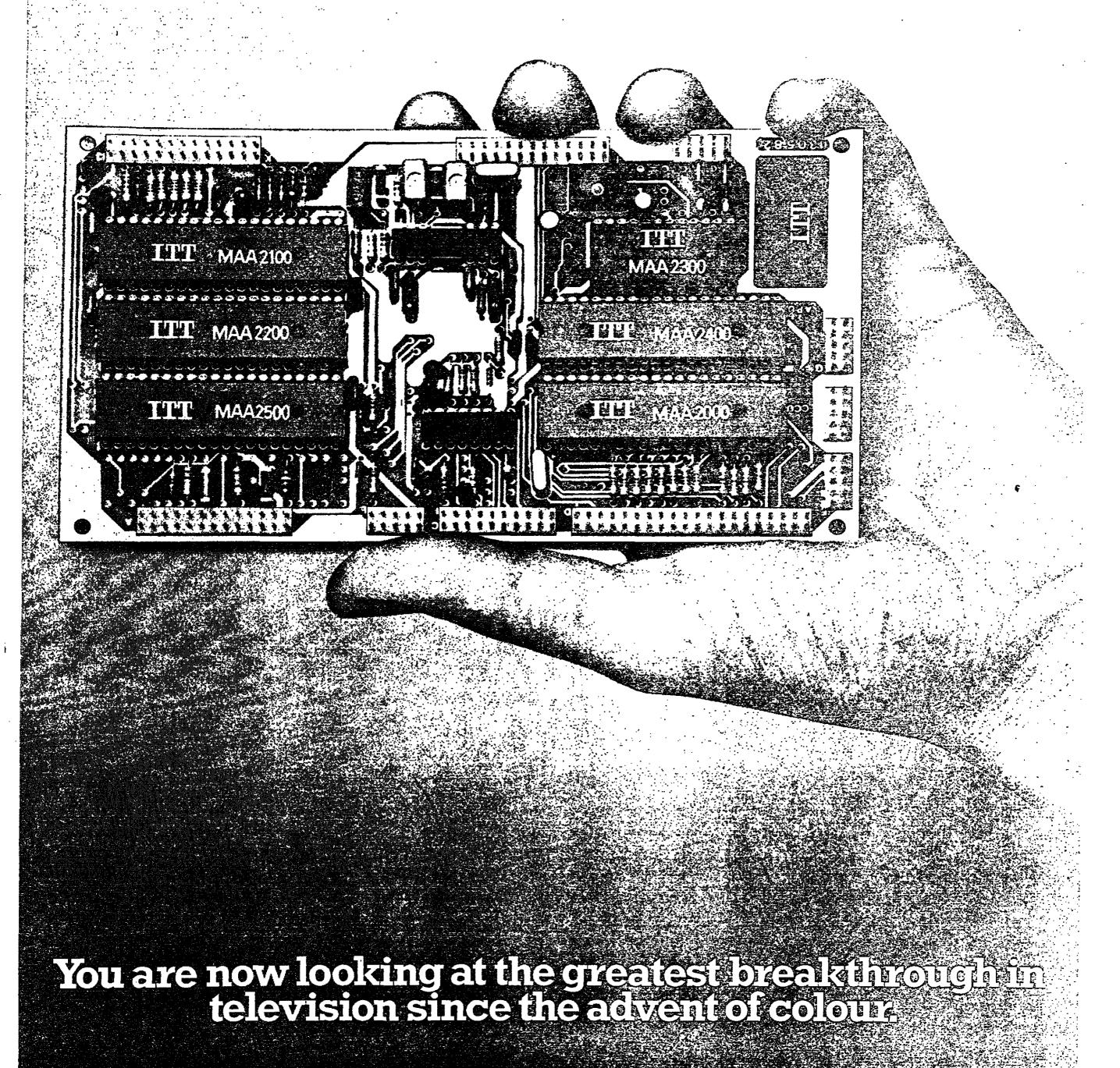
The 16-bit micro, from
Fujitsu and Matsushita, begins
at a basic £995 and grows to m
IBM PC-like system for £2,995.
More from Computer Exchange
International on 01.581 5671/4.

Bio report

THE PRICE of the Technical Insights report, Genetic Technology: A guide to key R, and D. projects, which was madvertently omitted in Wednesday's article, is \$267.







The set of ITT semiconductor microchips shown above may not look terribly exciting, but the new era of digital television they herald certainly is.

Because digital TV is capable of giving superb picture quality for the entire lifetime of the set.

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Because there are a mere seven microchips in ITT's colour TV set

Digivision,* replacing as many as 350 parts in a regular set, it is also more reliable.

And that's still not all.

The chips in ITT's digital colour TV set actually adjust themselves for any ageing in the TV components, so routine recalibrating will become a thing of the past.

No wonder ITT is delighted to be launching the world's "first" digital

TV brand. No wonder other leading manufacturers – Japanese, European and American – are buying the chips for their own digital televisions from ITT.

And no wonder ITT's share-holders have smiles on their faces.

The best ideas are the ideas that help people.



European Headquarters, Avenue Louise 430, 1650 Brussels, Belgium.

'Sky Shops' for Herald Square

A \$50M PROJECT to develop a series of shopping streets in the sky is fast taking shape on a corner of Herald Square in the heart of Marall Square in the hea In a city where people seem

centre, containing 200 separate Bond Street, has been enlisted Macy's (75m a year) watch out. shops and restaurants, on no fewer than eleven floors.

The Herald Centre, now arising on the site of the old Corvette's department store, is wedged between Macy's and Gimbels on one of the city's busiest corners and stands at the core of an area which attracts retail sales of over

\$34bn annually. Within the Centre, each floor will have a different address-like Madison Avenue, Wall Street and Broadway—and a different theme. Shop units will range from around 300 sq ft to 2,300 sq ft, base rents for an average trading unit will be in the region of \$100 a sq ft and top rents reach well over \$200

Tenants will face an automatic 25 per cent uplift in rents after five years and a turnover-related formula if they do well. In addition, first-year service there is a \$10 a sq ft and there is a \$10 a sq ft "promotional charge" to cover costs of a shared mail order catalogue, credit card facility and other

New York Land Company is pressing ahead with a plan which even New Yorkers are calling revolutionary.

Stanley Marcus, the U.S. retailabout building," ing guru, the task of sorting out "The problem for tenants is

near-neighbours Asprey and was So will retailers fall for the fed up to find they had already to spend as much time going up expensive formula and grab all taken space in Trump Tower, and down as they do moving the floorspace — nearly 120,000 the \$150m landmark on Fifth backwards and forwards, the sq ft — before the Centre opens Avenue which has some shop-

Calling revolutionary. ing guru, the task of sorting out "The problem 101 terminal with the petting a street feel for a shop which might be hundreds of feet concerning multi-level retailing right tenants.

On this side of the Atlantic, above the pavement. But it's which might be hundreds of feet a development which aims to David Cohen, who works as a going to work and we expect provide a seven-acre retail one-man agency out of New 21m visitors in the first year."

Land Securities' sale

LAND SECURITIES has sold the freehold of 77-95 Victoria Street, SW1 to the Liverpool Victoria Friendly

The property is opposite Windsor House and close to the Army and Navy Stores and comprises 51,000 sq ft of and comprises 51,000 sq ft or offices, together with a bank and five shop units. The building is let on a 25-year lease from March 1979 to the City of Westminster which has underlet the shops and part of the office Space.

The price agreed shows the new owner an initial net yield of over 6 per cent and there is a rent review in 1984. Hillier Parker May & Row-den acted for Land Securities and King & Co represented the purchaser.

• Greater Manchester Coun-cil Superannuation Fund has paid £4.2m for the freehold

of Thorncroft Manor, Leather-head, the 35,000 sq ft headquarters of Howard Humphreys, consulting en-gineers. The property has been leased back to Mitchell been leased back to Mitchell Colts—owners of Howard Humphreys—at a rent of £225,000 a year. Wright Oliphant represented the Fund, Campbell Gordon acted for the vendor, Howard Humphreys' pension fund, and Jones Lang Wootton arranged for the leasing back to Mitchell Cotts.

Mitchell Cotts. County and District Properties—part of Costaiu—has sold the freehold of its recent development at 12-18 Artil-lery Lane E1, to Boustead Commodity Brokers for £947,500. The 7,500 sq ft office building will be occupied by the brokers. Hillier Parker acted for

Still waiting for upturn in rentals

DESPITE all the encouraging rents fell by 1.5 per cent, talk of an upturn in letting activity and a revival in rental growth and values, a set of figures released this week puts fallen consistently since May the seasonal spirit into a suit- 1979. ably chill perspective.

Christmas festivities even before they begin, Hillier Parker May and Rowden have produced a rent index which gives little cause for celebration so far.

The index confirms that commercial rental values have, over latest rent index. the last six months, barely moved at all. In real terms, moreover, they have continued to fall.

There is worse. Not only have rents continued to decline but in the most recent period under review they have courtesy of an upturn in inflation—fallen further than in the previous six

According to Hillier Parker, whose optimistic October fore-casts for shop rents already look questionable on the basis of its own, latest evidence, rental values rose by 3.3 per cent between May and November this year. In the previous six months, they increased by 3.5 per cent. per cent.

It is worth remembering that, at one stage in 1979, the all-rent index showed a six-month rise of over 23 per cent (8.6 per cent in real terms).

But between May and November this year, inflation-adjusted

As for those forecasts on shop At the risk of wrecking rents, which have for some time in property, Hillier Parker last month reckoned that they would rise at twice the rate of inflation over the next two years. First signs of a recovery, it said, would be evident in the

No such sign, however, has emerged, with the shop rent index remaining at the level which has been unchanged for a year. While retail rents in central London are apparently moving strongly ahead, no rental uplift is yet in evidence elsewhere. The same can generally be said for offices and for industrial space.

So despite all the talk of what lies ahead, the stark reality is that Hillier Parker's reality is that Hillier Parker's rent index currently stands at 100, putting it back to the level last seen in May 1977. The agents do emphasise that, although rents remain depressed, very few are actually dropping and the percentage which is falling is lower than it has been for over 18 months.

Hardly the stuff of wide-spread revival. Pernaps Christ-mas 1984 will offer something

HMV signs for Trocadero

tainment complex being funded by Electricity Supply Nominees.

The Centre, on the northern. edge of Piccadilly Circus, was due to have been open for trading by now but the programme appears to have slipped quite badly and hopes now rest on an opening sometime in April next year.

good news for ESN and it is

The HMV deal will come as pay service charges currently operate facilities at the centre, sood news for ESN and it is estimated at £360,000 a year, a Other investors are also understood that the record level which reinforces recently expected to subscribe for up retailer will be taking two units expressed concern about the to 49 per cent in Lennoxcourt.

HMV has become the first major accounting for about 4,000 sq ft high level of additional charges retailer to sign a lease on space of the 35,000 sq ft of selling tenants can expect to face.

Space available No rent the shopping eating and enterthe shopping eating and entercouple of other units are under- areas is about £3.8m and that

stood to be under offer. ESN has agreed to meet up to
Details also emerged this £1.5m of this cost by means of

week of the letting to Kennedy non-refundable contributions. Brookes of the centre's four The balance will be met by a principal catering areas. The company is taking about 51,000 niture and equipment costing agout floorspace on the lower about £300,000 and the issue at the contributions of the contributions. ground, ground and first floors. par of 1.49m ordinary shares Rent payable will be £430,000 in Lennoxcourt, the Kennedy a year and it will also have to Brookes subsidiary which will

• Shell Pensions Trust has agreed to fund the first \$40m

agreed to rund the first \$40m phase of the Killton Keynes Central Business Exchange. The first phase will comverte two six-storey office buildings offering 268,000 sq ft of office space. Hillier Parker May and Rowden, who represented

Shell, and Jones Lang Wootton are joint letting agents for the scheme.

• John McLean and Asso

City fringes get lettings boost

TWO MAJOR office lettings revealed this week have given a hadly needed boost to the market around the fringes of the City of London.

Central and City Properties. central and Gly Properties, the Western Heritable-backed operation run by David King, has finally let Bishop's Court, the 55,000 sq ft office scheme in Spitalfields. The tenants are Anthony Gibbs Sage and it is understood that the rent cells of the region of achieved is in the region of £12 a sq ft.

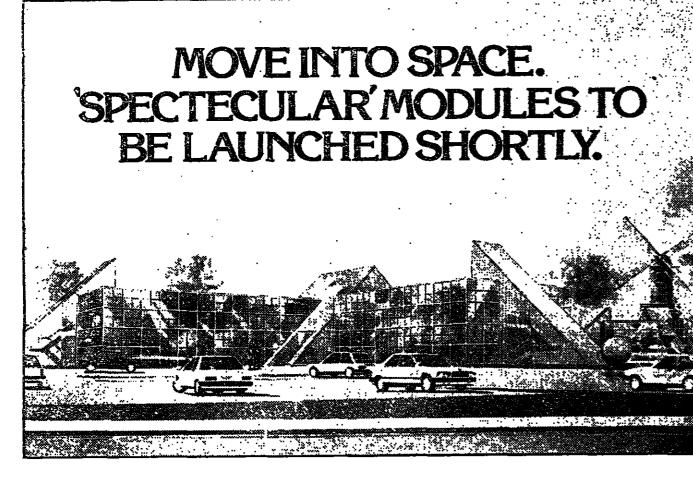
At the same time, Mellou Bank has agreed to take a 25-year lease on 6 Devonshire Square, the 75,000 sq ft building which forms part of the Greycoat - Standard Life scheme at Cutlers Gardens EC2. No rental details have been given, though asking rents of around £17.50 for space at Cutlers Gardens have space at Cutlers Gardens have

Hayward, the chartered accountants, are taking a lease on 8 Baker Street W1, the 78,000 sq ft-former home of the Davy Corporation. Rental is

not been achieved in the deals

Corporation. Academ is thought to be around £15 a sq ft. Richard Ellis and Smith Melzack acted for the Smith Melzack acted for the tenant, Healey and Baker for CIN, the landlord, and Goodman Maun for Davy-Eilis has also assigned the lease of 7-17 Baker Street, the old headquarters of British Aluminhum, to Matthew Hall for use as its headquarters. A sub-letting headquarters. A sub-letting of about 5,000 sq ft of the 39,570 sq ft building has been arranged with the United Bank of Knwait at £16

John Melean and Associates, part of Tarmae, and Scottish. Amicable Life Assurance have started work on their 42,000 sq ft office building on British Rail Property Board land adjoining Charling Cross railway station. There will also be 6,000 sq ft of retail space on two floors. Parnis Bird and Walker Son and Packman are letting agents.



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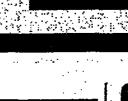
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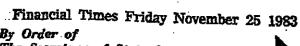
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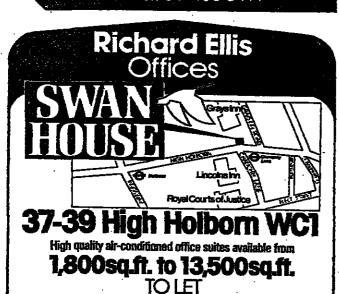
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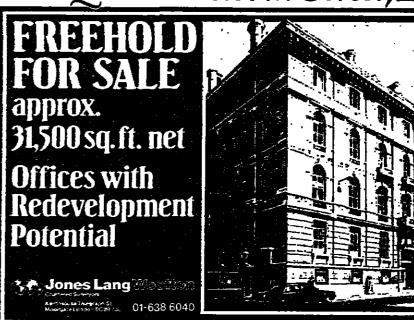
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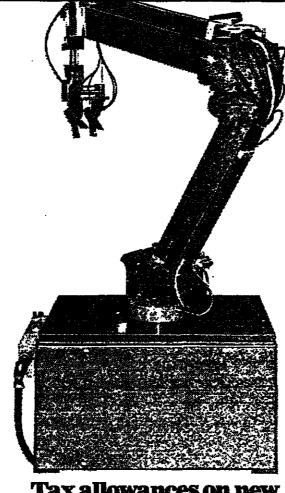


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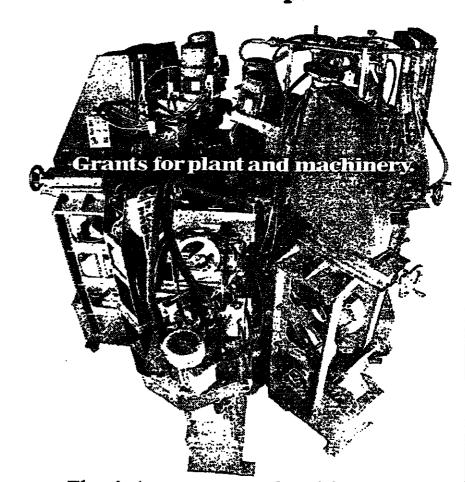
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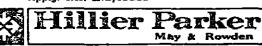
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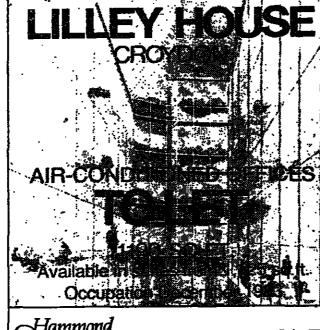
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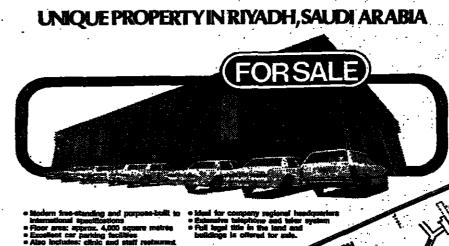
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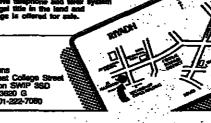
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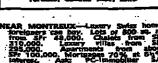


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Opera and Ballet HOLLAND

Notherlands Opera: Tales of Hoff-mann. Stadschouwbourg, Amster-dam (Wed) oeldstad Operatie, Carre Theatre, Amsterdam. White Horse Inn.

LONDON

Boyal Opera, Covent Garden; a rare Massenet opera, Esclarmonda is Massenet opera, Esciarmonde, is the latest vehicle for Joan Suther-land and Richard Bonynge. Further performances of Otello, with Placido Domingo in the title role and Colin Davis conducting; last of Boris God-unov, in which Claudio Abbado gives a display of imaginative com-prehension and orchestral mastery of unequalled splendour. (240 1066) English National Opera, Coliseum: an-other rare French opera, Gounod's Mireille, is mounted at the Coliseum

LONDON

London Charal Society and Philhar-monia Orchestra conducted by Mi-guel Gomez Martinez with soloists

including Linda Esther Gray, sopra-no. Verdi Requiem. Royal Festival Hall (Mon). (\$283191).

Hall (Mon). (928 3191).

Orchestra of St. John's Smith Square conducted by John Lubbock with Igor Oistrakh, violin. Mozart and Haydn. Queen Elizabeth Hall (928 3191).

Fires of London conducted by John Carewe with Brian Rayner Cook, baritone and Mary Thomas, soprano Maxwell Davies, Roger Smalley first performance. Queen Elizabeth Hall (Tue).

London Symphony Orchestra conducted by Claudio Abbado. Pergolesi and Stravinsky. Barbican Hall (Tue). (638 8395).

USSR State Symphony Orchestra conducted by Yevgeny Swetlanov with Eliso Virsaladze, plano. Prolofiew, Tchaikovsky and Shostakovich. Royal Festival Hall (Wed).

London Sinfouletta conducted by Anthony Pay. Weill, Wolfgang Rilm first performance and Henze.

Queen Elizabeth Hall (Wed).

English Chamber Orchestra with Ye-hudi Menuhin, conductor and violin, Josef Fröhlich, violin and Andras Schiff, piano. Mozart and Beethov-

PARIS

Piero Cappaccilli, baritone, accompan-ied by the Be De France Orchestra conducted by Jerome Kaltenbach: Leoncavallo, Zaza, Verdi, Giordano (Mon) TMP-Chatelet (233 4444).

(Mon) TMP-Chatelet (2334444).

Hermann Prey with Leonard Hokanson, piano (Mon) Theatre de L'Athenee (7426727).

English Chamber Orchestra conducted by Yehudi Memuhin, Andras Schiff, piano: Mozart, Beethoven (Mon) Salle Pleyel (5638573)

Engen Indik: recttal: Brahms, Beethoven, Mendelssohn, Scriabin, Prokofiev (Mon) Theatre des Champs Elysees (7234777)

Ensemble Orchestral de Paris conducted by Philippe Bender, André Navarro cello: Clementi, Boccherini, Respighi (Tue) Salle Gaveau (5532030)

Ensemble Orchestral de Paris: Cham-

Music

Metropolitan Opera (Opera House): The tenth of the centenary season features the first seasonal performance of Dielogue of the Carmel-ites, sung in English, conducted by Manuel Rosenthal with Frederica Mozart (Wed) Theatre des Champs Elysees (7234771) Orchestre de Paris conducted by Georges Prêtre, Paul Tortelier, cello, Jean Dupouy, Alto: Strauss - Don Quixote, Tchaikovsky, 6th sym-phony (Wed, Thur) Salie Pleyel (5630796)

for Valerie Masterson, Serge Bando conducts. The rest of the bill is filled with The Tales of Holfmann, a rath-

er lacklustre revival of a once-ad-

mired company effort, and with the new production of Britten's Rape of

Reyal Opera House, Covent Garden: The Royal Ballet presents Nureyev in a triple bill, followed by the re-

World Premiere of Olivier Messisen's Saint François D'Assise conducted

Saint François D'Assise committee by Seiji Ozawa, produced by Sandro Sequi, costumes and decor by Gui-seppe Crisolini-Malatesta with Christiane Eda-Pierre as The Angel.

Christiane Eda-Pierre as The Angel. Jose van Dam as Saint François alternates with Glazumov's ballet Raymonda in a new production, Rudolf Nureyev's choreography reinterprets Marius Petipa Decor and costumes by Nicholas Georgiadis, conducted by Michel Sasson/Michel Queval at the Paris Opera (265 5022) Lucinda Childs dancing to John Adams' music at the Theatre de la Ville at 5.30pm. (274 1124)

Karole Armitage dancing to Jeffrey Lohn's music in Paradise at the Theatre de Paris. (280 0930)

NEW YORK

Lucretia. (8363181)

turn of Swan Lake.

Tonhalle: City of Birmingham Symphony Orchestra conducted by Neeme Jaervi with Dmitry Sitkovetsky, violin. Britten, Bruch and Sibelius. (Mon); Beaux Arts Trio. Baethoven, Smetana and Schubert (Tue); Tonhalle Orchestra conducted by Christoph Eschenbach. Bach and Webern (Thur).

Concertgebouw, Amsterdam: Con-certgebouw Orchestra conducted by Hans Vonk, Webern, Bartok and Tchaikovsky. (Wed and Thur).

CHICAGO

Chicago Symphony (Orchestra Hall):
Daniel Barenboim conducting, David Schrader organ. Saint-Saens, Wagnar (Tue); Erich Leinsdorf conducting, Jessye Norman soprano, Dennis Baily tenor. Mahler, Mozart (Thur). (4358111)

NEW YORK nic (Avery Fisher

Schiff, piano. Mozart and Beethoven. (Thur). (4358111)
en. Barbican Hall (Wed).
London Symphony Orchestra gala
concert in aid of the LSO Trust conducted by Clandio Abbado with Aifred Brendel, Piero Cappuccilli,
James Galway, Kiri Te Kanawa,
John Shirley-Quirk and others.
Barbican Hall (Thur).

Cho-Liang Lin violi
edits, Nielsen (Tuc). Hall: Andrew Davis conducting, Cho-Liang Lin violin, Mercure, Sib-elius, Nielsen (Tue); Lalkas Fots con-ducting/pianist. Schubert-Webern, Webern, Bach, Schumann (Thur). Barbican Hall (Thur).

Boyal Philharmonic Orchestra conducted by Walter Weller with Lazar Berman, piano. Smetzna and Rachmaninov. Royal Festival Hall (Carnegie Hall): Joseph Kallchstein Piano recital. All Schubert pro-

Fiano recital. All Schubert programme (Wed). (247 7459)
Merkin Hall: Marguerita Oundjian & Ludwig Semerjian, duo piano recital. Haydn, Mozart, Schubert, Debussy, Larry Alan Smith, Howhaness, Barkhoutarian (Mon); Music American Chamber Orchestra. Stephen Pomerantz director, Phillip Evans, piano, Ralph Evans violin, Ko Iwosaki cello. Beethoven, Haydn (Tue); Regina Shamvili, piano. Beethoven, Chopin, Schubert, Schumann, Glinka (Wed mat); William Black, piano. Mendelssohn, Franck, David Diamond (Wed); Martha Ann Verbit, piano. Liszt, Shostakovich, Chopin, Szymanowski, Ravel, Fennimore (Thur). 67th W. of Broadway (362 8719)

WASHINGTON

Los Angeles Philharmonic (Concert Hall): Andrew Davis conducting. Mozart, Manner (Mon). Kennedy (583 2030)
Ensemble Orchestral de Paris: Chamber music: Andre Navarro, cello, Erika Kilcher, piano; Petit, Rach, Faure, Brahms (Wed) Salle Gaveau (563 2030)
Jean-Pierre Rampal and trio pasquier:

Matonal Symphony (Concert Hall):
Rafael Fruhbeck de Burgos conducting, Alicia de Larrocha piano. Schumann, Tchaikovsky (Tue, Thur).

von Stade as Bianche and Johanna Meier as Madame Linoine. Other performances of the week include Pier Litigi Samarilani's new produc tion of Ernam, as well as Don Gio vanni. La Traviata and the last seasonal performance of Peter Grimes. Lincoln Center. (580 \$830) New York City Ballet (New York State Theatre): The second week of the

season includes mixed programmer and the beginning of the month-long performance schedule of The Nut-cracker. Lincoln Center. (870:5570)
The Merry Widow: Light Opera of Manhattan takes on Lehar's story of belle epoque Paris as experienced by romantically inclined Marsovian widow. 334 E. 74th. (861 2288)

WASHINGTON

Washington Opera (Opera House): Performances this week of Semele and L'Elisir d'Amore. Kennedy Cenand L'Elian o Amore, named ter. (2513770)

Paul Taylor Dance Company (Eisen-hower): A formight's mixed reper-toire of one of America's favourite modern companies. Kennedy Cen-

WEST GERMANY

Berlin Deutsche Oper: On the occa-sion of this year's Wagner anniver-sary Tristan und Isolde is presented with Wagner specialists Spas Wen-koff and Katerina Ligendza in the title roles. The magic flute has fine interpretations by Sylvia Greenberg and Norma Sharp in the main parts. Verdi's rarely played Macbeth is Theatre

CHECAGO

HEW YORK

Cats (Wioter Garden): Still a sellout, Trevor Num's production of T. S.

Eliot children's poetry set to trendy music is visually startling and choreographically feline, but classic

Cage aux Folles (Palace): Perhaps

a Cage any Folles (Palace): Perhaps this season's outstanding musical comes, like Evita and Cats before it, at the very beginning of the theatri-cal year. Despite stellar names such as Harvey Pierstein writing the book and Jerry Herman the music, the best verys of the chost are not

the best parts of the show are not the hoopia, apart from the first-act finale a la Gaité Parisienne, but the

intimate moments borrowed direct

intimate moments borrowed direct from the film. (1572826)

22nd Street (Majestic): An immodest celebration of the heydry of Broadway in the '39s incorporates gems from the original film like Shuffle Off To Buffalo with the appropriately brash and leggy hooting by a large chorus line. (9779020)

Torch Song Trilogy (Helen Hayes): Harvey Fierstein's chullient and touching story of a drag queen from

touching story of a drag queen from backstage to loneliness incorporates all the wild histribuics in between,

all the wild histrionics in between, down to the confrontation with his doting Jewish mother. (9449450) heangirls (Imperial): Michael Ben-nett's latest musical has now be-

come a stalwart Broadway presence

sian accept leads an exporant cast in the remake of Rogers and Hart's 1836 sendup of Russian ballet tours, complete with Slaughter on Tenth Avenne choreographed by George Balanchine and directed, like the original, by George Abbott. [9779370]

(9779370)
Brighton Reach Memakrs (Neil Stmon): If he wasn't sure before,
playwright Neil Simon can expect a
long run of his funny as well as
touching childhood reminiscence

now that the Nederlander organiza-tion generously decided to name the theatre after the generation's out-standing box office draw. (757 8546) A Chorus Line (Shubert): The longest-

dike rounds off the week. Hamburg Stattsoper: Hector Berlioz's die Trojaner is a Götz Friedrich production. The cast, which includes Karan Armstrong, Hanna Schwarz and Harald Stamm, is topped by Guy Chauvet in the leading role. Jo-

sung in Italian. Orpheus und Eury-

hano-Schastian Bach's Amadis, re-discovered by Heimut Rilling lest year, is perfectly cast with Helen Donath. Doris Soffel and Eberhard Büchner. La Traviata features De-nes Gulyas and Sona Ghazarian in the leading parts.

Frankfurt Opera: Der Wildschütz, conducted by Volkmar Olbrich, brings together Hildegard Heichele and William Workman. Parsifal, also staged to honour Wagner, is steered to triumph by Walter Raffemer in the title role. Die Entfuhrung aus

dem Serail has a complete new cast with Hildegard Heichele, Valentin Jar and Rudolf Mazzola. Munich, Bayerische Stantsoper: This week's highlight is la Cenerontola, perfectly conducted by Raff Weikert, with star tenor Francisco Araizer, with star tenor Francisco Arzi-za. Carmen, sung in French, is a new production by Jean-Claude Auvray. It has Stelania Toczyska excelling in the part of Carmen.

excelling in the part of Carmen.

Berlin, Deutsche Oper: To mark the
100th anniversary of Wagnet's
death, a world premiere of Riccardo
W is offered this month. It is choreographed by Valery Panov danced to
music by Richard Wagner, Giacomo
Meyerbeer, Felix Mendelssohn-Bartholdy and Hector Berlioz. Soloists
are Eva Evdokimova and Thomas
von Cauwenbergh (Fri).

E. R.(Forum): Moving into its second year perodying melodrama in a hos-pital setting, this emergency room continues its adventures among a young ductor, a receptionist and an authoritarian nurse. (496 3000)

stage shenanigans on tour with a third-rate farce is a key factor.

(836 838)

Glengarry Glen Boss (Cottesloe): One of America's best playwrights, David Mamet, has a stardling world premiere at the National Theatre in this superb Bill Bryden production of life among real estate salesmen. The language rocks and rolls through idiomatic salespeak with many a glancing reference to post-Nixon break-in paranoia (828 2252)

Hay Fever (Queen's): Penelope Keith continues her reign as the iron maiden of British showbusiness. Well-dressed and marcel-waved, she plays Judith Bliss in Coward's great comedy, presiding over character and confusion in a Thames-side country house (734 1186) come a stalwart Broadway presence despite the forced effort to recreate the career of a 1960s female pop group, a la Supremes, without the quality of their music. (2396200)
Nine (46th St): Two dozen women surround Sergio Franchi in this Tonyaward winning musical version of the Fellini film 8½, which like the original calebrates creativity, here as a series of Tommy Tune's exciting scenes. (2480246)
On Your Toes (Virginia): Galina Panova with presumably a genuine Russian accent leads an exuberant cast in the remake of Rogers and Hart's

country house. (734 1186)
Little Shop of Horrors (Comedy): Tawdry, camp musical based on a 1960
Roger Corman B-movie about a Roger Corman B-movie about a man-eating plant which revives the fortunes of a Skid Row flower shop. The 1950s pastiche is a bit wan, but the lyrics sharp. The plant grows from cactus-like vulva to piscatorial, blues-singing peach. Ellen Greene repeats her off-Broadway performance which is something like Fenella Fielding only bloade and way over the top (930 2578)

running musical ever in America has not only supported Joseph Papp's Public Theater for eight years but also updated the musical genre with its backstage story in which the songs are used as auditions rather than emotions. (2396206)

WASHINGTON

Noises Off (Eisenhower): Dorothy Lou-don stars in Michael Frayn's com-edy about the provincial run of a shapstick farce with lots of antics for siapstick farce with lots of antits for a company that includes Brian Marray, Paxton Whitehead and Victor Garber. Ends Nov 27. (254 3676). Beyond Thurney (Kreeger): Christopher Durang's romantic comedy has all the elements of modern singles life including meeting through the personal's column of a newspaper and a scene in a hip restaurant, but it reflects more than explores the shallowness of a surfeit of choices. Arena Stage (488 3300)

The Real Thing (Strand): Susan Penhaligon and Paul Shelley now take the leads in Tom Stoppard's fascinating, complex, slightly flawed new play. Peter Wood's production strikes a happy note of serious levity. (836 2866/4143)

Dalsy Pulls it Off (Globe): Enjoyable rouns derived from the world of Angeles and the strike of the

Cinema/Nigel Andrews

Eaten by the video nasties

Videodrome, directed by David Cronenberg Beiste The Nickelodeon, directed by Charles Musser Girl From Trieste, directed by Pasquale Festa Campanile Tales Of Ordinary Madness, directed by Marco Ferreri Triumphs Of A Man Called Horse. directed by John Hough Lone Wolf McQuade, directed by Steve Carver

Every new medium or new technology creates its own technology creates its own technology creates its own technology. Videodrome, written and directed by David Cronenberg (of The Broad and o: Man Ingests Videorassette.
Our here Max Renn (James
Woods), lean and rodent-faced
chief of an "Xplut 2-222" [V cable station, pursues the hot-property Holy Grail of a new line in hallucinogenic pornographic-violent video software called "Videodrome," and pays the ultimate price by becoming a human video recorder him-self. Late in the movie, his stomach develops the ability to open up at the whir of a mental

command to receive—
through a palpizating sitt—the
cassette of his choice.
Briefly donning my hat as a
video critic, I can testify to the which whirs up from the machine's surface to gobble up an offered tape (or an offered an offered tape (or an offered finger if you're careless) will surely become as noted and eerily animate an icon in the 1980s as the whir of a movie projector and the flickering ghostly spaces of a movie screen have been in decades past: used to effect in countiess films about terror in the drive-in or stroboscopic maybem in in or stroboscopic mayhem in

But alas and alack, Video-drome, like many Cronenberg films, has a marvellous breakthrough idea and then loses it of on there was Edwin S. in a maze of plot. Initiated into the S-M frissons of advanced video by sultry sexpot Deborah Harry ("Take out your Swiss army knife and cut me a little," she purts as they watch a Video from there was Edwin S. Charles Musser's excellent documentary of that title about Deborah Harry ("Take out your Swiss army knife and cut me a little," she purts as they watch a Video from there was Edwin S. a Videodrome show together), Mr Renn soon finds that nothing is what it seems. His TV screen begins to bulge and dilate like an overripe Brie, videocassettes pulsate and achieve meltdown even as he Daisy Pulls it Off (Globe): Epjoyable round derived from the world of Angela Brazil novels: gym silps, bockey sticks, a clifftop rescue, stout moral conclusion and a rousing school hymn. Spiffing if you're in that sort of mood. (437 1562)

Noises Off (Savoy): The funniest play for years in London, now with an improved third act and a top-class replacement cast. Michael Blakemore's brilliant direction of backstage shenanizans on tour with a University of the Company o from "Professor Brian O'Blivion," who runs a Cathode

Scene from "Girl from Trieste"

if you recall a man's head exploded causing much audience a saloon bar ends with a man startlement followed by almost total parrative fracture, Video-the next shot in the street begins in Gazzara's bathroom, and has the habit of feeling her way along blank walls with outtotal parrative fracture, Video-the next shot in the street begins drome's trompe l'oeil pyrotech- with the bounced man's ejection Italian neurotic has done since nics have a knock-on chaos- —Porter helped movies grow the early films of Autonioni. inducing effect in the plot. "It has something you don't have, Max," says someone of Videodrome, a "philosophy." Cronen-berg's film has a philosophy too, of sorts. What it doesn't have is any dramatic momentum or coherence — substituting instead merely a florid urge to gallop on to the next special

Before video there was cinema; before cinema, as we know it, there was the Nickleodeon; and before the Nickel-odeon there was Edwin S.

of moving pictures surprisingly little has changed. Sensation was the order of the day in the 1890s -when audiences gasped at the first giant screen kiss and fournalists wrote word-bog-gingly of the "joyous overpowering luscious osculation"—just as in the video world of the 1980s sensation-seeking is still (however much tut-tutted) a major factor. Porter's 1903 Western adven-

ture The Great Train Robbery is still deemed the first important narrative film. Musser argues that Porter was notable not only Ray Mission for TV addicts, to for this movie and its status as one Barry Convex, who supplies a historical "first," but also for "cheap glasses to the Third his doughty, if sometimes frusone Barry Convex, who supplies a historical "first," but also for the played by Ben Gazzara, a macho strip-cartoonist at large this doughty, if sometimes frustrated tackling of then vexed systems to NATO "(!) And as the real and the irreal inextricably intertwine — which is presumably Cronenherg's message ris-d-vis dependence on the media — grand guignol gradually escalates.

This would be all macabre in another vexed area: and a stout pair of walking boots. But like Scanners, where

and its lively commentary by veteran silent star Blanche Sweet, Before The Nickleodeon is a must: a magical glimpse into Moviedom's early history.

In the supporting programme at the ICA, you can see a fistful of early Porter story films. These include his bizarre The White Caps, wherein a vigilante band wearing perforated pillow-cases over their heads tar and rorter.

Charles Musser's excellent documentary of that title about piquant The Teddy Bears, Porter. America's greatest pioneer in movies before D. W. Griffith, shows that in 20 story towards full Western realism. After wasting us through the familiar early stations of the fairy tale, Porter ends with Ma and Pa Bear pursuing our heroine out of the

Porter helped movies grow the early films of Antonionic from a series of isolated table leax; into the embryo, at least, of a storytelling sequence. of a storytelling sequence.

With its handsome hand-tinting of still and moving pictures audience volubly but vainly shared. The film lasts for 103 feeling minutes.

Two quasi-Westerns ride barepack into town this week, dispensing with the saddle of a secure, well-shaped screenplay. Triumphs of a Man Called Horse is part three of the white-man-becomes-Red-Indian saga starring Richard Harris.
Mr Harris dredges up sump-

tuous Welsh vowels from that craggy visage for an hour or so before dying and leaving the screen to his son Koya (Michael Beck), an inadequate substitute. This preposterous pot-pourri of out-West action and reaction needs all the Harris it can get. Britain's John Hough directs with many a bold tableau but little success in fortifying the then getting summarily shor down by a ranger's rifle.

I regret the absence of forest rangers in Pasquale Festa Campanile's Girl From Trieste.
Marksmen with well-primed rifles would have been most useful in dealing with (i) the aeroine played by Ornella Muti, a nymphomaniac at large from hittle success in fortifying the feeble plot about white man's gold fever trespassing on red man's land. Only another Briton, photographer John Alcott, distinguishes himself, with a sequence of those magnificent tinted skyscrapes he pioneered in Barry Lyndon.

Lone Wolf McQuade boasts all the trappings of a Western, from horses to holsters to hickory wiedom but also all the success in fortifying the feeble plot about white man's gold fever trespassing on red man's land. Only another Briton, photographer John Alcott, distinguishes himself, with a sequence of those magnificent tinted skyscrapes he pioneered in Barry Lyndon. aeroine played by Ornella Muti, from horses to holsters to a nymphomaniac at large from hickory wisdom, but takes place a mental asylum and (ii) the in the America of here and now. hero played by Ben Gazzara, a Texas Ranger Chuck Norris

Exhibitions

Isth Century drawings from Belgian private collections – 100 drawings including Jordaens, Teniers, van Goyen, Tiepelo, Poussin and Frago-nard. Societé Générale de Banque. Ends Dec 21

HOLLAND

American Graffiti, Mostly Puerto Ri-can street art in the U.S. transferred to canvas. Boymens – Van Beuning-en museum Rotterdam until Dec 4. Irish Calture from 3000 BC to 1500 AD in Amsterdam's Rijksmuseum until Feb 26. The Book Of Kells, the most Feb 28. The Isok Of Kells, the most magnificent illuminated version of the gospels in Europe, is joined by a hoard of bronze, silver and gold treasures, all finely wrought and many of them encrusted with jewels – a reminder that long before its present troubles, Ireland had its Golden Age and was the last repository of Western art and learning to fall to the Vikings.

fall to the Vikings.

One hundred paintings by modern

Dutch artists at the Stedelijk Museum, Amsterdam, Until Jan 8.

Hanover, Wilhelm Busch Museum, 1 Georgengarten: The first venue of the roving exhibition with 176 etchings and lithographs by George Cruikshank, the British cartoonist. Ends Jan 8

Ends Jan 8
Bean: Rhemisches Landesmuseum:
The most comprehensive exhibition
of contemporary U.S. art ever
shown in West Germany. It features
works from the 1970s and 1980s by
nearly 50 artists representing such
styles as pattern and decoration,
new image, new wave, new expresnew image, new wave, new expres-sionism and graffiti. Ends Jan 15 Humburg, Altonaer Museum, 23 Mu-seumstrasse: "American Folk Art" has 200 paintings, drawings, tex-tiles, ceramics and sculptures from

the 18th century to date by U.S. artists. Ends January 15.
Bielefeld, Kunsthalle, 5 Artur-Ladebeck-Strasse. The first show in the Federal Republic of drawings by Georges Seurat, the French neo-impressionist, with 30 sheets. Ends December, 24 Düsseldorf, Städtische Kunsthalle, 4 Grabbeplatz The first venne of a comprehensive show of the works of Francis Picabia (1879 to 1953), "the wildest individualist among the great modern artists," as a critic called him. How hectic his search for a new approach, a new style, a new motive was is illustrated by the Düsseldorf exhibition which has 180 paintings, drawings and collages by the Frenchman from all his work periods. Ends December 4.

cember 4.

Freiberg. Kunstverein, 48 Rathausgasse: 40 objects - many shown for the first time - by Gerd Rohling, a contemporary German artist of repute. Ends December 4.

PARIS

Raphael - Three exhibitions pay housage to the great Renaissance painter - born 500 years ago. The Grand Palais assembles, for the first time, most of the paintings and drawings from French museums, among them Le Petit Saint Georges. La Belle Jardinière and Balthazar Castiglione's portrait. Another exhibition shows Raphael's influence on French art from the 18th century to the present. Grand Palais (2615410). Closed Tue, Wed late closing. Ends Feb 13. The Louvre completes the anniversary celebrations with an exhibition of the most brilliant of Raphael's collaborators, among them Giulio Romano, and of his disciples. Louvre, Cabinet Des Dessins (2803828). Closed Tue, Ends end of Feb. Raphael - Three exhibitions pay hour-

Balthus - in collaboration with the Metropolitan Museum 50 peintings and as many drawings are shown in the secretive painter's first retre-spective revealing a universe peo-pled with adolescent girls and cats

in an atmosphere of troubling immendoes. Centre Georges Pompidou, Closed Tue, Ends Jan 23 (277 1233) Cycladic Art from the N. and D. Goulandris Collection — more than 200 remarkable items dating from the third century B. C. are being shown at the Grand Palais before returning – definitely – to Athens. Grand Palais (ends Jan 9 1984). Closed Tue, Wed late closing night 10 pm (261 5410) (2615410)

LONDON

The Hayward Gallery: Racul Duly - a timely reminder that this hero of countless chocolate boxes and post cards, the acceptable face of modern art, was not only a significant painter but a Fanvist of peculiar character, a follower but no slave of Matisse, who later developed into a decorative artist of the first importance. His elecantly perfunctory noorrative artist of the first import-ance. His elegantly perfunctory no-tation, and his characteristic imag-ery – white sails in the bay, palm trees below the bakony, bright silks against the apple green of the race-course, have been taken up and broadcast endlessly by lesser tal-ents. His fabric designs and tapes-tries are especially remarkable in a beautiful and necessary exhibition. Ends Feb 5. Ends Feb 5.

Rads Feb 5.

The Hayward Gallery: Hockney's Photographs - a brisk survey of Hockney's practical use of the camera from simple reference and aide memoire to photographic exercises. This latter aspect developed slowly but has speeded considerably in the past 18 months. The composite photographic image is no longer just a simple still life or portrait study, but a strange and intriguing image of an event, a sequence of action, a passage of time. Ends Feb 5

ITALY

Milan: At the Chiesa delle Grazie there are 100 pre-Raphaelite and Neogothic paintings for church win-tows.

Venice: Palazzo Ducale, 7060 years of China exhibition. Ends Dec 31. Museo Correr: Tritan's engravings on show. Palazzo delle Prigioni: ex-hibition of works by Massimo Cam-

WASHINGTON

National Gallery: Art of Axtec Mexico combines works confiscated during the Spanish conquest of 1521 with the unearthing in 1978 of the Great Temple of Tenochtitlan, capital of the Axtec empire, in central Mexico City. The most comprehensive Axtec art exhibit ever mounted in America reflects the religion that suffused the Axtec culture, with gods performing sacrifices that had to be repeated by man in order to keep the sun moving across the sky and the cosmos working. Ends Jan 8, 1994

CHICAGO

Misseum of Contemporary Art: 46 paintings of Superrealist Malcolm Morley trace the British-born pain-Moriey trace the British-born pain-ter's style from its origins in ab-strect works through Pop art to the ocean liners based on postcards that show the photo-realist influence of his self-styled Superrealism. Orga-nised originally by the Whitechapel Gallery in London, the show in-cludes recent pastoral landscapes with beach scenes and animals. Ends Jan 22

NEW YORK

Metropolitan Museum of Art: 75 works from the 20th century collec-tion of Baron Thyssen-Bornemisza will include 10 of his latest acquisi-tions. Featured in the show will be works by Kandinsky, Picasso, Gris, Dali, Bacon, Freud and Rothko. The recent acquisitions are works by Georgia O'Keeffe, Balthus, Mondri-an, Picasso and Natalia Gontcharo-va. Ends Nov 27

Covent Garden's Annual Report

Presenting Covent Garden's Royal Opera house's artistic £1.4m which includes a pro- and "out-reach" keep rearing annual report, the chairman of policy were forgotten in the contact the board of directors, Sir Claus fidence of Sir Claus and his current financial year alone. Moser, yesterday gave renewed Moser, yesterday gave renewed support to the gathering argument that the arts in Britain, unlike the arts in the rest of Europe, are seriously underfunded by the Government. He commented on "a new and widespread feeling of insecurity due not only to expenditure cuts but also to nagging doubts as to whether this country, and many people in key positions in Government, central and local, in business and elsewhere, are really committed to a

where, are really committed to a policy of sustaining what has Policy of sustaining what has been achieved."

10 per cent and box office never have included the Triple were afoot for relaunching been achieved."

Nagging doubts about the cent. The accumulated deficit is Words like "accessibility" morth-west of England.

10 per cent and box office

lished last month, which reaffirmed the national need for a
highly sponsored (by the taxpayer) home for opera and
ballet, found no evidence of
significant waste, and recommended an increase of 17 per
mended an increase of 17 per
of the Arts. He was unhappy,
though with Priestley's sue,

general director. Sir John Priestley recommended that Tooley, afforded by the findings of the Priestley report, published last month, which rereview and even on practical trial,

He welcomed a suggestion payer) home for opera and ballet, found no evidence of significant waste, and recommended an increase of 17 per cent on the current Arts Council grant of almost £1m.

Expenditure at the Opera House for 1982-83 rose by nearly 10 per cent and box office and the current season would said, this current season would show the price of the Palace that principle was accepted, he are the collapse of the Palace Theatre, Manchester, operation.

National Heritage Memorial Fund

Antony Thorncroft

Lord Charteris, chairman of the National Heritage Memorial Fund, has joined the chorus of the arts establishment that this week has been calling for more Government aid. He believes the Fund needs an extra flom on top of its annual grant of £3m to adequately carry out its task of safeguarding the national heritage.

The current reserves of the Fund are just £7m, an inadequate sum to meet a sudden

The current reserves of the Fund are just £7m, an inadequate sum to meet a sudden

Each the saving of a major country house. At the saving of its financial year in the end of its financial year in the spring its reserves exceeded find on othing to help Calke Abbey, and gave another threatened Scoting the saving at major country house. At the end of its financial year in the spring its reserves exceeded find on othing to help Calke Abbey in Derbyshire, a miraculous survival of a 19th century house which now faces an uncertain future.

With more money it could save Calke.

The annual report emphasises the restoration of Trades Union the sopring at any time. High on it are Kedleston and Fyvie, in Scotland. It is currently organising a charitable trust to organising a save another threatened Scot tist fears it can do nothing to help Calke Abbey in Derbyshire, a miraculous survival of a 19th century interior in an 18th century house which now faces an uncertain future.

With more money it could save Calke.

The annual report emphasises the restoration of Trades Union the sources.

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The annual report emphasises the restoration of Trades Union the saving and contributed £29,000 to the salvage and restoration of the first pour trades union to the first pour trades union to the restoration of the first pour and source take to the prior at Bangor. It acquired to produce £8m to save another threatened Scot.

The Duritor of its fast can do nothing to help calk

Philharmonia/Festival Hall

Dominic Gill

It can happen that even the most promising musical com-binations sometimes fail—for no predictable reason—to strike the expected sparks. Kurt Sanderling and the Philhar-monia have been for several seasons one of the South Bank's most rewarding partnerships. The addition to these forces of Missuko Uchida, whose Mozart

arresistible. In the event clined to the shy, dying cadence,

The orchestral ensemble was the manner uncharacteristically nowhere near as well knit as withdrawn. Her larghetto, a the Philharmonia at its best: delicate self-communing, was string detail was too often rather beautiful in its fashion, blurred, and phrase-edges were poised on the edge of the staves, Missuko Uchida, whose Mozart sometimes ragged. Uchida's almost afraid to break, but sonata cycle so delighted us stance in the first movement strangely distant. Her finale, last year, as soloist in the B flat was never clearly defined: similarly detached in its emopiano concerto K595 on Wednesgentle, sweet-natured and sweet-toned, but far too frequently inand palely gleaming.

In almost every aspect, it though, the performance had its pleasures, in large measure it was disappointing.

The expectral ensemble was more correct than loving. His account after the interval of Beethoven's Eroica symphony was not first-rate Sanderling either, but it had vitality and cogency where the Mozart had merely drifted. A utility model Eroica: decent enough, but without any of its brightest

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Friday November 25 1983

High stakes for the TUC

It is faced with a dispute which, though it may yet be New technology defused, contains all the ingredients of a setpiece pitched battle between government and unions over a framework of labour legislation which has still suffered no heavy assault. The National Graphical Association has made it clear that it will continue its defiance of the law, appealing under the decisions adopted at the TUC's Wembley Conference of April 1982 for support. Mr Eddie Shah, the Messenger Group's chairman, is equally firm that he will not reinstate six sacked he will not reinstate six sacked NGA members. Result—the ready escalation of the dispute by NGA activists into an anti-

The TUC has tried to move as cautiously as it can—though it cautously as it can—though it has expressed more support for the NGA—and hence stored up more potential trouble than Mr Len Murray, its general secretary, would have wished. No dispute of this kind comes at a good time but this one has burst upon the union movement at a particularly embarrassing

Mr Murray, with other senior colleagues, is now tiptoeing through fields of nettles with Mr Tom King, the Employment Secretary, towards a possible the political levy and—in the further distance—the possibility of a similarly non-statutory agreement on strikes in essen-

The pressures on both sides are great. Mr Murray's acceptwith suspicion by sections of his own party, and of the business community, as being will be before abuses by both potentially to trustful of solemn and binding agreements. and binding agreements. Where

THE STAKES in the Stockport Murray must have the gloomy Messenger dispute are poten-foreboding that, in that event, tially very high, most of all for the unlong have nowhere to go

unions' left see the Messenger dispute in the historical perspective of the mass industrial action which destroyed the Heath Government's Industrial Relations Act, the parallel is specious. The unions are weaker, the Labour Party still lacks authority and the employers wholeheartedly sup-port the new employment law. On a strategic view, the Messenger can only bring bad news for the TUC. The NGA was always among

the most likely of all unions to fall foul of the new law. Its insistence on closed shops, and on defending them by picketing and blacking where they were threatened, runs directly counter ter to the letter and spirit of the legislation. Politically centrist, industrially militant in defence of its organisation: the increasing pressures on it of new tech-nology have reinforced that trend. It has been able to do what other unions have wished to but could not, yet the fact is that, for most other unions, the world has moved on. The NGA now remains almost unique in its ability to impose its will by industrial means

Despite the difficulties for the TUC in distancing itself from the practical consequences of the NGA's stance, it must be prepared to do so, both in its own interests and in the in-terests of a better framework of sides can be rationally re-formed, and the real issues of Mr King has the option of industrial relations and productivity tackled. And the smaller lation to curb the unions if the TUC's "new realism" fails, Mr influence these changes.

dream ends

Horst Dieter Esch from IBH, after each take-over. It seems the construction equipment com- that Herr Esch was too ambipany which he created, ends a tious, underestimating the diffiremarkable European effort to culty of welding together establish a position of world disparate companies with incomleadership in one of the most patible products. competitive branches of the engineering in- acquired companies would have dustry. Starting with a small business in Germany in 1975, Herr Esch set about acquiring of them were already bankrupt other construction equipment and others were in the hands of companies, mostly loss-making, groups which had no continuing in Europe and the U.S., aiming interest in construction equipto build a group which could ment. No doubt Herr Esch's hold its own against Caterpillar of the U.S. and Komatsu of panies in their reluctance to

the world—even Caterpillar has market which are unfortunately been making losses—will not rare. It would be a pity if last for ever. But the effect of European businessmen and the recession was aggravated by bankers drew the lesson from management errors, notably the market which are unfortunately in the demise of IBH that caution failure to take drastic ration—is always the best policy.

THE RESIGNATION of Herr alisation measures immediately Yet it is not obvious that the

done any better if they had not been bought by Herr Esch; some launch ambitious efforts to compete against the world leaders. Herr Esca might claim that if Yet an improvement in Europe's the German banks had been competitiveness is not going to more co-operative the dream take place unless there are could have been realised; the entrepreneurs with the ambition, commitment to their industruction equipment throughout try and vision of the world

Realism in France

THE Leitmotif of French industrial policy this time last year, promulgated by M Jean-Pierre Chevenement, the former Industry Minister, was that "there are no condemned sectors." This year, with the tightening of the Government's of losses of around FFr 9bn this overall economic policy and overall economic policy and with the appointment in March of a new Industry Minister, M Laurent Fabius, the tone has

M Fabius in his public declarations has come as close as any Socialist Minister can dare to suggesting that the country's overnamed and heavily loss-making coal and steel sectors will have to be pruned drastically. And the line was reinforced on Wednesday with the Government's announcement that further budgetary assistance to the big nationalised steel groups will be dependent on a return

to profitability. The public announcement of tough financial conditions con-tains an element of shadowboxing. The Government is trying to bully the steel unions— who have been remarkably compliant up to now in the face of steadily declining employment

-into accepting further cuts. The rest of the newly-nationalised industrial sector in chemicals, electronics and structuring) and should there- contagious

year, can hardly avoid con-siderable recourse to outside finance for several years to come—if not direct from the budget, then from the banks via

budget, then from the banks via low-interest loans.

The message served up on Wednesday, which bears the hallmark of the rigorous budgetary approach of M Jacques Delors, the Finance Minister, was that the funds will not be forthcoming unless further consistent. further capacity cut-backs are made.

The Government's own steel plan, drawn up last year, fore-casting production of 24m tonnes by 1986 (this year's output looks likely to be 17m tonnes) will have to be re-cast, and further plant closures are clearly in the offing.

The French steel industry may not yet be set the targetofficially in force for the rest of the state sector-of breaking even by 1985. But at least the tougher government line, coming just a week after the National Assembly voted a submetal-working—generally ex-stantial cut in the volume of pects better results this year state aid for the coal industry, (partly as a result of some sen-shows that the mood of realism sible government-induced re-in France is becoming

While the NGA and the

if the attack that has been launched by T. Boone Pickens succeeds, other oil majors may also find themselves vulnerable.

Mr Pickens, who started in the West Texas oil business with \$2,500, is head of Mesa Petroleum (ranked 92nd in the U.S. oil company league table) and has already supplanted the Mellon family, who founded Gulf in 1901, as the company's largest shareholder. But he has no intention of leaving if there. His idea is to spin off some of the Gulf's highly profitable oil and gas reserves in a royalty trust (see panel) "so that shareholders can better realise some of the underlying value of their com-

fought out in full page advertisements in news-

papers across the world. The

air is thick with charges and

counter charges. Even by the rough and tumble standards of

the U.S. oil industry, it is turning out to be a contest to

At stake immediately is the future of Gulf Oil, fifth largest oil company in the U.S. and one of the "Seven Sisters." But

Pickens' company has already

spun off two royalty trusts and several other small U.S. oil com-

the idea has never been tried on a major oil company—and this is what is worrying execu-

tives in other big oil companies.
What happens if Mr Pickens' ideas catch on?

Mr Pickens has picked on Gulf because its share price values the company at consider-ably less than the market value

of its oil and gas reserves (mainly because they are lumped in with relatively unprofitable downstream refining and marketing operations).

He quotes J. S. Herold, a Green-

wich, Connecticut, research firm, which has put an appraised value of \$114 per share on Gulf against its current market price of just over \$40. "If the Pickens' effort to split up Gulf succeeds it will, be hard for other major oil ance that the union movement industrial relations. The longer must express its opposition to the delay in establishing a Government policies within stable basis for industrial relations. Since the delay in establishing a constitutional limits is not yet tions, where agreements are wholly shared by all his colleagues. Mr King is regarded with suspicion by sections of where the law is respected as a line of the business of a better tramework of a constraint and setting the stable basis for industrial relations. The longer must express the procedure and where the law is respected as a constraint of the business are governed by procedure and where the law is respected as a companies to escape the same fate. What we will be left with is an array of smaller oil com-panies, each with much less capital to spend on vital activities such as exploration for new oil and gas," says Dillard Spriggs, a New York energy consultant. Mobil and Texaco, two of Guif's bigger sisters, could be vulnerable. Their track record is not much better than Gulf's.

When Boone Pickens first caught Wall Street's attention last year he was making a cheeky \$4bn bid for Cities Service Company, another slumbering oil giant. Stung by accusations that he did not have the financial muscle to see the bid through, Pickens tartly told a reporter, "I did not same period. told a reporter, "I did not arrive in town on the back of a

water melon truck."

Since then his credibility has not dispute the company's poor record. "There are two things his attempt to take over Cities that can be said about our curnis attempt to take over cities that can be said about our cur-Service, but made a handsome rent position and most recent profit for Mesa shareholders, a performance. First, we don't feat he has repeated in sub-sequent shrewd dealings in oil ing hard to change it," Mr Lee THE U.S. OIL MAJORS

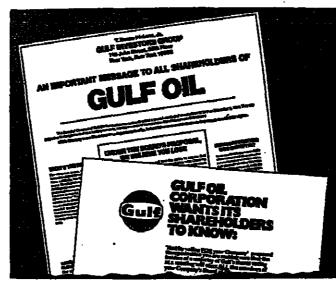
Mr Pickens goes for Gulf

By William Hall in New York



THE ISSUE before Gulf Oil's

300,000 shareholders at the



special meeting on Decen 2 is whether or not the company should be allowed to reincorporate itself in Delaware. However, share-holders will really be voting on whether to back the 55year-old Mr T. Boone Pickens, who firmly believes Gulf Oil areholders would be better off if Gulf spun off a sub-stantial portion of its U.S. oil and gas reserves in the form of a revalty trust.

tion of mature oil producing properties whose income flows directly to shareholders and thus avoids double taxa-

Mesa's profits came from share

A large part of the U.S. oil industry regards Boone Pickens

as little more than a corporate "horse trader" in the oil patch.

But Wall Street has taken to

spotlight on Gulf, Wall Street was well aware of the company's

lacklustre record. Its return on

capital averaged 10.2 per cent

over the five years to end 1982, the lowest of the 14 biggest U.S.

oil companies. Its rate of divi-dend growth was the slowest during the five-year period and, according to International Petroleum Finance, after adjust-

ing for inflation there was no growth in Gulf's dividend.

It has been one of the least successful oil majors in discovering oil in the U.S. According to Pickens its U.S. oil reserves have fallen by 30 per cent over the last five years and the percent over the last five years and the percent was a successful or the percent of the per

it has only replaced 43 per cent of its U.S. production over the

James Lee, who took over as

chairman of Gulf in 1981, does

Even before Pickens put the

dealing last year.

THE ROYALTY TRUST OPTION Gulf Oil shares," says Pickens.
Pickens' arithmetic on Gulf
is simple. Assuming it spins
off 50 per cent of its U.S.
domestic oil and gas reserves concept in the U.S.

The big attraction of a royalty trust is that it eliminates the double taxation that occurs when an oll company's income is taxed first in the hands of the corporation and again in the hands of the shareholders when they receive dividends. In the case of a royalty trust, the income, or royalties, flow direct to the shareholders. "Royalty trusts currently outstanding trade at an

company shares, with the told shareholders at last May's upgrading of its refinery opera-result that more than half annual general meeting. upgrading of its refinery opera-tions which will greatly increase

made swingeing cuts in its organisation. It has shed 15,000

people from its worldwide pay-roll and cut its U.S. workforce

roll and cut its U.S. workforce by close to a fifth, saving an estimated \$100m a year.

It has raised more than \$2bn from asset sales. Since the start of the year, Gulf has sold its loss-making refining and marketing operations in Switzerland, the Benelux countries and Scandinavia, and put its important Italian and UK marketing operations up for sale.

operations up for sale.

It has pulled out of the speciality chemical business in

the U.S. and is putting the finishing touches to a \$500m

Under his direction Gulf has

average of eight to 10 times cash flow compared with 2; times cash flow in the case of

in the form of a royalty trust, this would give share-holders an income stream of \$750m or \$4.50 per share. Based on historic cash flow multiples for other royalty trusts, Gulf royalty trust units should trade around the \$36 to \$45 mark. The residual company would still have a cash flow of \$2.25bn, or \$13.68 per share, which on Gulf's historic cash flow unitiple would result in a residual

tions which will greatly increase

its ability to refine lower-cost heavy and sour crude oils. This

move, together with a major rationalisation of its U.S. ser-vice station network, is expected

to save the company more than \$300m a year by 1984.

Gulf's retrenchment means

once used to rule the inter-national oil world. U.S. operat-

duces another 20 per cent,

share price of around \$34— giving a combined premium of around two-thirds to Guif's current share price.

For its part, Gulf Oil says there is no "credible evidence that the creation of a royalty trust would enhance share

trust would enhance share value for Gulf's shareholders." It says Pickens' analysis and assumptions are "in some respects simply wrong and in ethers flawed or otherwise open to serious question." It also accuses him of glossing over the fact that the individual investor, who makes up the majority of Gulf shareholders, would face a signiholders, would face a signi-ficant tax burden if Gulf was to distribute a royalty trust.

Finally Gulf has spent \$1bn buying back 30m of its shares, equivalent to 15 per cent of its equity, in an effort to boost

Mr Lee firmly believes that the painful measures of the past two years are beginning to pay off and points to the 74 per cent rise in third quarter profits that it is now much more of a domestic U.S. oil company than as proof. The group's return on equity, which fell to 9.1 per cent last year, is expected to be back into the 11 per cent to 12 per cent range shortly, and the company is talking of longer term targets of 16 per cent, and maybe 20 per cent, in a few years' time, if its plans are achieved some of its rivals and perhaps should no longer count as one of the "Seven Sisters" which ing earnings account for 80 per cent of the total and Gulf Canada, one of the top three Canadian oil companies, pro-

Boone Pickens does not set much store on Gulf's efforts to put its house in order, "Selling off their European marketing operations is peanuis compared to what we are asking them to do. That is just good house-teaming," he says keeping," he says.

" If you are not replacing those reserves you are in liquidation very simply. This company has been liquidating itself for over 10 years now," says Pickens. He believes that if a company He believes that if a company
If this is the case, then Gulf's
is depleting its reserve base it management will really have to

flowing direct to shareholders Pickens argues that Gulf should shrink itself down to the sort of size where its exploration operations can find enough oil to maintain its reserve base.

Gulf has been sensitive for some time about its inability to find enough oil and gas in the U.S. to maintain its production and has recently made a fundamental change in its ex-ploration strategy, switching its drilling teams out of the mature producing fields in the U.S. and into the "frontier" oil exploration areas such as Alaska,

The costs and risks are higher but the chances of finding a really big oil field are much

better. Pickens derides Gulf's new "frontier" strategy. "These are the same players that were unsuccessful in letting 30 per cent of Gulf's domestic oil reserves get away from them over the last five years," he told a recent packed meeting of investment analysis in New investment analysts in New York. Now they were being sent to look for oil in the much sent to look for on in the mich tougher "frontier" areas. Gulf is piqued by Pickens' criticism of its exploration record. Whilst admitting its U.S. record on reserve replenishment has not been up.

to par, it says that Pickens "totally ignores" the fact that on an international basis it has replaced its petroleum liquid reserves in the five years to end-1982.

It also points to the exper-ience of its majority-owned Canadian subsidiary which embarked on a "frontier" explora-tion strategy in 1978 and has struck it rich.

If Gulf Oil is to be a ful player in the "frontier" areas it desperately needs to retain control of the cash flow which Boone Pickens would like to spin off into a royalty trust. Pickens, by contrast, believes

Pickens, by contrast, believes
Gulf is throwing good money
after bad in its aggressive
"frontier" exploration strategy.
On present form, Pickens
helieves that 50 years from now
Gulf Oil will be a very small
company, which will have depleted its reserves and will be
little more than a downstream
operation. operation.

The more serious of the oil

analysts say Boone Pickens over-emphasises the J. S. Herold figures (which are based on some questionable assumptions as to oil price movements and do not take into account taxation) to support his case that the integrated oil majors are hopelessly undervalued in their present structure. His ideas have struck a sympathetic chord amongst many institu-tional investors. Indeed, it is looking increase

He is especially critical of ingly likely that Gulf will not be Gulf's inability to replace its able to win the support of the domestic reserves of oil and gas. 83 million shares it needs at its December 2 meeting to enable it to reincorporate in Delaware, which will in turn put it in a better position to fight off the Pickens' challenge.

should do it under a structure prove that it has changed its which is more efficient for spots if it is to retain share-shareholders and this means a holder support against Boone royalty trust with the income Pickens.

•

Ente:

بريلة

Men & Matters

Angus tipped

Smart money among Unilever watchers is upon Michael Angus, aged 53, to become the next chairman of Unilever PLC. Angus is to become a member next May of the special threeman executive which runs the world's largest consumer products and foods group.

Angus gets his chance to join the informal—but effective— troika because of the retirement next year of Frans van den Hoven after nine years as chair-man of Unilever NV, the Dutch

man of Unilever NV, the Dutch part of the group.

Van Den Hoven's job is going to another Unilever high flier, Floris Maljers, aged 50, who was appointed to the special committee in May last year.

Since the Rotterdam-based chairman is always a member of the executive and is a vice-chairman of Unilever PLC, this leaves a vacancy on the execu-



"I'd sit in a non-smoker but I can't stand their healthier than thou attitude"

for many years that Umlever has had three vice-chairmen.

Although Maljers is also in the running to take over from the present chairman Ken Durham—who at 59 probably has another couple of years in the top job judging by the usual retirement age of Unilever chairmen—Angus is the frontrunner because of his success in pulling together the Lever Brothers operations in the U.S.

There is not likely to be a mad scramble for power in Unilever House, however. The group style (unlike some other multinationals) is for an orderly succession.

Havana in 1985 at the culmination of the state fashion the current five-year plan.

Some of the state fashion houses from Russia, its East European allies and Cuba, have come up with attractive designs which are being shown off by East German models.

Putting them into production will be quite another story, however. Clothing plants in Comecon countries are terrified by new fashion trends and few of the styles being shown are likely to reach the shops.

The jeans episode is the classing impingeing upon transient

orderly succession.

Peace mission

was appointed to the special committee in May last year.

Since the Rotterdam-based chairman is always a member of the executive and is a vice-chairman of Unilever PLC, this leaves a vacancy on the executive which Angus will fill.

Angus will also become a vice-chairman of the comany.

As Unilever already has another vice-chairman in Frazer Sedcole it will be the first time of west Bengal.

With hardly any publicity she has intervened in a strike at the Lereto Convent school in Cal-cutta—a place dear to her heart as she worked there when she first arrived in India from Rome.

Manual staff on strike at the

school were assaulting teachers as they went to work. The authorities were failing to take preventative action. Mother Teresa arrived on the

scene, visited the school, and spoke to the chief government minister.
End of confrontation.

Eastern style

Comecon's fashion planners— estimate that a one penny duty yes—they do exist—are meeting (plus VAT) increase on a Comecon's fashion planners in East Berlin this week to de- packet of king-size cigarettes monstrate what will be chic on would produce £35m in a full the street in Murmansk and year is based on an assumption

sic example of state planning impingeing upon transient After years of resistance from

After years of resistance from the authorities to that "wes-tern" style the commissars finally gave in and Jeans outfits for men and women are being churned out all over eastern Europe. The trouble is that citizens have unpatriotically stopped buying them. Rest easy Paris, London, Florence and New York.

Error in favour Brokers Buckmaster and Moore seem to have it in for the Trea-

They have just put out a cir-

cular complaining that once again the Treasury has made mistakes in forecasting revenue gains from possible changes in Excise duties. They put out similar statements highlighting Treasury mistakes last year after the autumn budget and again this year after the budget. But the faceless ones in the Treasury can assuage their wounded feelings in the know-

ledge that Buckmaster and Moore have themselves made a mistake in their latest circular. They say that the Treasury

that 3,5bn packets of cigarettes will be consumed.
"Current consumption levels

suggest that 50bn packets of cigarettes are in fact, being consumed . . " say B and M and they go on to argue a case based on that figure. Actually the current con-sumption of cigarettes in Britain

annually is much more modest -around 5bn packets.

All of which goes to show that people in glass houses shouldn't smoke.

Account closed

il learned from Accountancy Age that Michael "Mad Mike" Hoare, aged 64, the soldier of fortune currently doing time in a South African jail after his unsuccessful invasion of the Seychelles has been dismissed from membership of the English Insitute of Chartered Accountants.

While Hoare is probably best remembered for his African mercenary activities in the mili-tary sphere he has long followed a second profession as a chartered accountant.

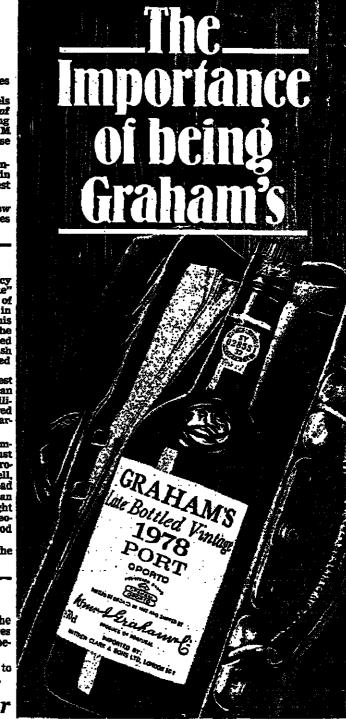
An institute spokesman com-ments that "his conduct must be regarded as bringing the pro-fession into disrepute." Well, yes—after all he did plead guilty to unlawfully seizing an aeroplane on a scheduled flight together with two counts of jeopardising safety and good order. Hoare was admitted to the

institute in 1948.

Bird brains

Noteworthy appointments of the age: Buxted Poultry announces that David Gosling has just become its director of finance. Perhaps they are planning to fatten him up for Christmas.

Observer



POLÍTICS TODAY: THE CIVIL SERVICE

Confessions of past errors

By Malcolm Rutherford

THE BBC's Reith lectures this a machinery of government cap-year are being delivered in Civil able of putting the desired changes into effect, even if the nature of the changes was clear and all the rest of it. There was in the Prime Minister's own a word "conspectus," which one mind, which quite often it was had to look up in the dictionary not. to see whether it existed in lectures are electric.

They are being given by Sir Seeking to become more respon-boughas Wass, until very sive to what a radical govern-recently the head of the ment might want, and more effi-treasury, and it would be cient in carrying out its wishes, surprising if existing senior civil And the Government is still servants such as (say) Sir looking for a more effective Robert Armstrong, the present machinery. There is a long Secretary to the Cabinet, had way to go, but the prospects not been consulted on the are not all that bad.

Take three obvious facts to

The third lecture, broadcast on Wednesday this week, was possibly aberrant. It sounded like a concerted Civil Service attack on Sir John Hoskyns, a former head of Mrs Thatcher's policy unit at No. 10 Downing Street. Sir John has been campaigning, with a megaphone, for far more policy advisers to campaigning, with a megaphone, for far more policy advisers to the government of the day to come from outside the traditional Civil Service. The Civil Service doesn't like it.

Still, the first two lectures were sharp enough and there are three more to come. An inescapable conclusion on far

inescapable conclusion so far, which is also supported by other evidence, is that the top of the Civil Service is now deeply concerned about how it can provide better — and possibly more open — government. It is confessing past errors.

In scottlessing past errors.

In particular, there is an implicit acknowledgment that the Civil Service was not able readily to adapt to a radical Prime Minister. When Mrs Thatcher came to power in 1979, she wanted to break with the postwar consensus or, in her own words, "stir things

up."
The Civil Service was used to the consensus and, indeed, to some extent had itself created some extent had itself created government decisions have been it. It did not want radical wrong, but also that there was change, partly because it did no proper machinery through not believe in it, and partly because it did not think that first place.

any Prime Minister would survive long enough to put it into effect. As Sir John Hoskyns has said, it had become pretty strong. For instance: defeatist. In that, the Civil The general thrust of the government's policies is seldom if

What seems to be happening Nevertheless, the now is an attempt at synthesis.
The top of the Civil Service is They are being given by Sir seeking to become more respon-

> start with: • The Conservatives were returned at the general election with a large majority and should be in power for at least four years.
>
> The Conservative lead con-

times to hold up in the opinion polls, even if that—like the election victory—is partly a reflection of the divided opposi-

flection on the tion.

• A voice has gone missing whenever the Government presses its pet theme of privatisation. Not even the Labour now promises to re-Party now promises to re-nationalise every—or indeed any—state asset that the Government sells off to the pri-vate sector. That is a fundamental change: we may be out of the old cycle of nationalisaand denationalisation.
There are other facts which

are less obvious. In delivering the Reith lectures, Sir Douglas Wass is certainly open to the charge that, if he is in favour of radical change now, why did he not do more to put it into effect when he was still at the Treasury? Yet it remains strik-ing that he should admit that Britain's postwar performance has been "disappointing" in any way, and not only that many government decisions have been

has said, it had become defeatist. In that, the Civil Service has been proved wrong; enament's policies is seldom if Cabinet to press the needs of ever reviewed and assessed by your own department and her own deficiencies. It was one thing to want to stir things usually Cabinet reviews; and indictment of the way governing. It was quite another to find the press that the concept that the concept the diaries of former ministers, long into falled, but gives a telling reason to the press the needs of ever reviewed and assessed by your own department and cabinet." There have, he admits, almost nothing else.

Coming from Sir Douglas, that he programmes for analysis and kept their major policies out of amounts to a fairly devastating the area of review."

More dramatically, he would like the resurrection of some



Sir Douglas Wass

interests of another minister are involved, and even then the challenge itself may be partisan. Cabinet can be too easily railroaded."

In another passage he suggests that decisions have often been made on the basis of two broad principles. The first is that "as things nave been, so broadly shall they remain . . . the implicit assumption is that these plans are 'right,' in the sense that they were accepted in the past and that the only question is how rapidly or how slowly they should develop."

The second broad principle is: "He who has the muscle gets the money." Well illustrated in the diaries of former ministers,

systematic study . . . An issue which comes to Cabinet is presented by the minister whose interests and reputation are involved, and he is bound to be partisan. No mechanism exists to enable the Cabinet to challenge his views unless the interests of wather manisters the most important functions.

He is in favour of making the spending departments think what they would do if the money available to them were drastic-ally cut: otherwise known as the practice of "zero-based budgeting," though Sir Douglas would like to see it only on a

would like to see it only on a selective basis at first.

He also harks back to the practice of policy analysis and review (PAR for short) intro-

ably the most important func-tion which Cabinets now engage in."

duced under Mr Edward Heath's administration. Whitehall was supposed constantly to re-examine its programmes to dis-cover whether they were working in the way intended. Sir Douglas notes that the concept More dramatically, he would to go ahead and produce a

effect of the new labour laws

on industrial action, I must correct one fundamental error con-

tained within it. The legality

against the inter-connection of

Mercury to the British Telecom

network has not, I repeat not,

The factual situation is that

union requiring it to lift its

not to appeal this decision to the House of Lords because it wishes for this full trial to take place at the earliest opportunity.

Therefore the impression given in your article that the in-

resolved is quite contrary to the facts. The POEU is determined to go to full trial and prove that

been settled.

kind of "think tank" or Central has been thought, said and Policy Review Staff, which Mrs enumerated about the long-Thatcher abolished last summer. term prospects for growth, IT WAS a year ago this month powerful recovery in November But it would be in a new form.

The result and that the U.S. economy began to last year. Prime Minister or be on tap for individual departments involved, it could set the backwhen called. Instead, it would ground for the debate for some be in touch with all Ge years to come. The document partmental business. Therefore, itself would be politically "it would have to be closely neutral, but it could become involved in the annual public the textbook for discuss In one way, however, the Chancellor remains a conservative with a small "c". He should be represented at all the bilateral meetings between the Treasury and the spending

expenditure survey and

ministers, not least to ensure

that the Cabinet had, in effect,

a watching brief over any pri-vate deals that might be

vate deals that might be struck." (Shades there of some private deals in the past!) The new body would also suggest r's own solutions to the "problems

The call, in short, is for some

could make it a success." In

tures - like the think tank - and for sniping at the Civil

Service in general than for set-

inchoate plans for a green paper—it need not be called

that-on public expenditure and

requirements until well into the

1990s. As Chancellor, Mr. Lawson is still fairly reticent

might not be all that compre-

Yet if the Government were

hensive.

is no great enthusiasm for tax That is a pity. For, given four years to play with, now is the time to launch an inquiry into the possible simplification of the tax system. As a recent book-on the politics of tax-policy making points out, there has been no such official inquiry

alternative means of policy appraisal to be built into the system, apart from what is already available to the Governset up in 1951. The result has been that governments have made up tax ment and its conventional de-partments. Speaking of the demise of PAR, Sir Douglas said: "I believe . . . that a new generation of officials, and a firm commitment by ministers, could make it a success." In policy as they went along, sometimes for different reasons. For instance, almost every Finance Act since capital gains tax was introduced in 1965 has contained some amendment to it, yet it does not raise much ways that is the most revenue,

many ways that is the most revealing sentence in the lec-Some taxes have been adjusted for the purposes of seeking wider support for an In other words, Sir Douglas is admitting that a whole generation of officials, a whole incomes policy, others for short. term demand management and approach to government, is passyet others for redistribution of ing, and that the past might not be the only model. Almos: income: in other words, social policy. The question of finding an efficient way of raising no senior official would have said that in 1979. money to pay for public spend-ing has mainly been secondary So if the Civil Service, at least in retirement, is respondas Chancellors improvised where they could: a windfall ing to change, how is the Gov-ernment getting on? After 2!, tax on profits here and there, it has been more notable to date for abolishing established strucand so on. Mr Lawson tends to think

that he is a radical because he has acknowledged that the main purpose of tax is to proting up anything new.

The best hope here seems to lie in Mr Nigel Lawson's rather vide public expenditure. If that is controlled and there is economic growth, taxes can be cut and any anomalies in the system will become less noticeable. In that, his radicalism is very conservative. A bold Chancellor would set up a tax commission as soon as possible. It might even be related to the green paper, which could itself be regularly updated.

Lombard

Reaganomics and Mrs Thatcher

By Anatole Kaletsky

well as the political choices pull out of recession into the involved it could set the backsident Ronald Reagan had pro- of the U.S. recovery since the

mised all along.

By accident as much as design, the policies followed by the Reagan Administration and the Federal Reserve Board in the past 18 months have been exactly what an old-fashioned high school economics text-book of the 1960s would have prescribed for an economy which had been "starved of oxygen."
Taxes were slashed, govern-

ment deficits soared and short-term interest rates were cut almost in half, with scant regard for the impact on money supply growth, in the summer of 1982. Within six months the economy within six months the economy was duly roaring ahead. By the third quarter of this year gross national product had lifted effortlessly above its previous quarterly record, in 1981.

Compare this with Mrs since a Royal Commission was

Thatcher's performance since 1979. Although the British economy has been recovering feebly for two years, GNP this year will still be about 2 per cent below the 1979 level, despite an increase in the contribution from the North Sea windfall estimated at between 2.5 and 4 per cent of GNP. British fiscal policy during this period has been steadily deflationary, at least until this

There has been a cut in the underlying government deficit, adjusted for the effects of the economic cycle, of around 6 per cent of GNP between 1979 and economic recovery of sorts began in Britain in 1982, after the biggest round of tax increases in 1981, is sometimes beld to be a decisive refutation of the traditional Keynesian

deficit-adjusted for the economic cycle—contracted in 1979, expanded in 1980, contracted expanded in 1980, contracted of interest rates, rather than the again in 1981 and then expanded rate of monetary growth, that strongly from July 1982 on-primarily affects the economy, wards. The economy responded with the precision of Keynesian claimed that "money does not recommend to the procession of the processio

Of course monetary policy,

too, was extremely supportive summer of 1982. And in 1981, the Fed's narrow monetary measure, M1, undershot its target by a small margin, helping to explain the economic downturn in 1982.

In Britain, however, the behaviour of the monetary aggregates in relation to their targets has been in no way consistent with the fluctuations of the economy or the abrupt reduction of inflation since 1980. Sterling M3 was on target in 1979, well above it in 1980 and 1981, and within its range again last year. Looking at other definitions of money in both the U.S. and the UK, the picture becomes even more confusing. which were not specifically targeted by central banks grew fairly steadily for much of the 1979-82 period, belying the roller coaster performances of both the U.S. and British economies and inflation rates.

These comparisons, simplistic though they may be, are suggestive. Fiscal policy does seem to have a powerful impact on real economic output, at least in the short-term. The effect is strongest in a relatively self - sufficient continental economy like the U.S., particularly when selective import controls such as those practised by the U.S. against Japanese car makers and European steel pro ducers limit the leakage of domestic demand into production overseas.

or tightening can certainly be offset by monetary policies, as they were in Britain in 1981, when big tax increases were logic. accompanied by even more Before jumping to this conclusion it is worth looking at and in the exchange rate. But recent U.S. fiscal policy experience. The U.S. Government's ings of traditional pre-moneings of traditional pre-mone-tarist economists have much to commend them: it is the level of interest rates, rather than the be regularly updated.

*Tar Palisy-making in the UK. Ann Ratinson and Codrie Sondiord. Remarkson its present targets that do not.

Clockwork—GNP fell in 1980, matter "— interest rates matter grew in 1981, fell again in 1982 very much, it is only monetary and then began its present targets that do not.

Letters to the Editor

British civil air transport policy

From the Deputy Chairman, Caledonian Aviation Group. Sir,—As an old hand in the air transport business, may I mend the article (Novemcommend the article (November 21) by your Aerospace Correspondent on the projected transfer of British Airways from the public to the private sector and on the need for a new strategic plan for British air transport as a whole.

There is, I am sure, common ground that everyone wishes to see British Airways succeed as able and fully competitive British air transport industry. But—and this is the point— are the best results likely to be gained by the continuation of a near-monopoly for British Airways in scheduled air services under private ownership? Following the—in my view, unwise—merger of BEA and BOAC, British Airways became virtually that out-moded concept of a "single chosen instru-ment." As such it has the lion's share (of more than 80 per cent) of British overseas air routes.

Such a monolith translated into the private sector would not only dominate the scene but, a matter for concern, it would jeopardise the future of this vital national industry unfortunately, it once

again rail,
The Edwards Committee of
1969 on "British Air Transport," had wise words to say on this subject—relevant also in a wider context. They wrote: major factor in airline size —

"We conclude that a monolith structure for the UK airline industry, though not imprac-tical, would create more prob-lems than it would solve—and lems than it would solve—and
we recommend against it. We
believe that it is valuable to
have more than one source of
expertise, judgment and experience — including commercial
innovation. No organisation should be made larger than it needs to be to secure the major economies of scale and speciali-sation and it is wise to create as many independent, or quasi-independent, groups as this will permit." In brief—a balanced

industry structure. In recent years all the very large international air eartiers have returned poor results. They have all exhibited serious economic and management problems. Though they have been protected by bilateral agreements, they have been slow to respond to economic

challenges.
By contrast, many mediumsize international carriers (size-able but smaller) have shown themselves to be both more nimble and more successful in weathering the storms of reces-

That is no coincidence and the lesson is clear. Efficiency, vigorous enterprise and effec-tive competition is best achieved in modern conditions by air-lines of adequate — but not monolithic — size; and for many

A union and the law are wholly within the policy decisions of the governments concerned. Good management From the General Secretary, Post Office Engineering Union Sir,—In the article on November 23 concerning the is an essential ingredient, but experience shows how much

Against this background, tained within it. The legality British Caledonian's proposals of the action undertaken by the for a better-balanced structure Post Office Engineering Union for the British air transport inby Sir Adam Thomson, would not remove from British Airways its position as the major (but not the dominant) British the Appeal Court granted a tem-porary injunction against the airline better streamlined for profits, while it would re-affirm a much-needed British airports blacking action against inter-connection until such times as the matter was determined at a full trial. The union decided policy in which British Airways would continue to be the major Heathrow airline and British Caledonian the major carrier at Gatwick — both in powerful competition with foreign air-lines and each other.

Such a solution would use the creation of "British Airways

opportunities to compete within

an adequate route network.

Pic" as the opportunity to establish fortile conditions for a sound, vigorous and profitable British air transport industry an opportunity missed 14 years ago after the Edwards Report. ago after the Edwards Report.
That opportunity will not occur
again quickly. Let us not miss
the take-off alot which now
opens for a climb into a prosperous future on the part of
BA, BCal and other scheduled

BA, BCal and British sirilines. (Sir) Peter G, Masefield. Caledonian House, Crowley,

its action in blacking intercon-nection is a genuine trade dis-pute under existing legislation. Bryan Stanley.

150 Brunswick Road, W5. Local authority proposals

From the Leader and Chairman of the Policy Committee, Association of County Councils Sir,-I do not seek to use

your columns for a further de bate on the merits of the Government's proposals for rate capping or abolition of the Metropolitan Counties. I write only to correct an error of fact in Councillor Farrell's letter (November 22).

Opposition to the Government's present proposals on limited to a "hardcore of Conservative councillors" is wide-No Conservativecontrolled county council has supported the proposals contained in the Government's White Paper as they stand. The strength of the opposition can be measured by the vote taken at the recent meeting of the full executive council of the associa-tion of County Councils, which supported the association's response to the White Paper by 95 votes to 2, with 7 abstentions. Lewis D. Moss. 66a, Eaton Square, SW1

If the U.S. is your foreign market, you need a different



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Nobody reads U.S. business like **Business Week International**

Enterprise. allowance From the Director,

Berkshire Enterprise Agency Sir,-It is reported (November 19) that only 15,000 of the 25,000 places/allowances in the 25,000 places/allowances in the resource be regarded as equivamanpower Services Commission's enterprise allowance
scheme have been taken up.
Your report also suggests that
Your report also suggests that
Tinance Act income (and corporation) tax relief on preduced, namely that a "1,000
overdraft facility" will be
acceptable as evidence of
rading expenditure was
granted if incurred by a busiacceptable as evidence of
regarded as evidence in the prison of the light of
regarded as evidence
In section 30 of the 1980
regarded as evidence
in the pushes."

In section 30 of the 1980
overdraft facility will be
granted if incurred by a busiacceptable as evidence of
regarded as evidence
in the pushes." is a useful step forward because the present conditions for eligi-

This particular condition presents often insurmountable difficulties to two groups of potential entrepreneurs. The first group comprises those who as a result of unemployment have used up all their liquid special entrepreneurs. The first group comprises those who as a result of unemployment (they always are). But is this him that he was go him that he w

resources. The other, to whom we would in this letter parti-cularly draw attention, are those who have tools of their trade and/or capital equipment to use in their business, in value of at least £1,000. But the rules do not allow this resource be regarded as equivalent of money "to invest in

bility include "you must be Translating this approach to able to show that you have at the enterprise allowance we least £1,000 which you intend would urge that equipment and to invest in the business over tools purchased up to three the first 12 months."

This particular condition pre- an enterprise allowance him some money.

prior to the commencement of trading (The 1982 Finance Act extended this to three years).

that can be implemented with immense and immediate bene-fit? The scheme is being reviewed at present. Is it not considered? Ansel Z. Harris

The Forbury, Reading, Berkshire. Asking for

money Sir,-Perhaps Mr P. Saul

(November 22) may have had less difficulty in raising the money for his French apartment if he had asked his bank manager rather than telling

FINANCIAL TIMES

Friday November 25 1983



Gilmore may drop dumping action

By Paul Cheeseright in Brussels THE European Commission believes the anti-dumping case brought by Gilmore Steel in the U.S. against West German and Belgian hot-rolled carbon steel plates

will soon be dropped altogether. Gilmore's action aroused anger in Brussels, where it was feared that the sales restraint agreement for carbon steel products negotiated last year between the EEC and the U.S. would be jeopardised.

Strong representations were made to the U.S. Government but the case moved out of its preliminary phase because the international Trade Commission (ITC) in Washington found "reasonable indications" that the Belgian and West German products had harmed Gil-

Viscount Davignon, the EEC Commissioner for industry, ob-served in Dusseldorf this week that Gilmore Steel had dropped half its complaint, although he apparently gave no details.

It is now assumed in Brussels that the rest of the complaint will soon fall away. Feeling about the issue is more relaxed than a month

The Commission appreciates, however, that until the complaint is formally dropped, the U.S. legal processes have to be carried through. The Department of Commerce is seeking to establish the fact of dumping and the ITC has to make a final determination on whether Gilmore has been injured.

If Gilmore's case is upheld preliminary anti-dumping duties could be imposed in January. The Commission has consistently

maintained that the Belgian and German producers have no case to answer. EEC carbon steel sales to the U.S. were 36.7 per cent lower in the first eight months of this year than in the corresponding period of

Olivetti re-sells French stake

Continued from Page 1 Benedetti group. This brings to 20 per cent the stake in Olivetti held by CIR, the industrial holding com-pany controlled by Sig Carlo De Benedetti, chairman of Olivetti. It is the largest single shareholder in

A consortium made up of Mediobanca, the Italian merchant banking group, IMI, the medium-term credit bank, and Crediop, another medium-term financial institution. bought 24m shares, or 7.9 per cent

A total of 16m shares have been acquired by two unnamed U.S. investment funds, representing a further 5.3 per cent of Olivetti. The remaining 2.3 per cent (7m shares) of the former French stake has been placed with a variety of European institutional investors.

Olivetti said last night it was forming an Italian "controlling synwhich would represent

Andropov steps up pressure on West Continued from Page 1

Although Bonn was clearly one of the main targets of the Soviet warning, Herr Kohl again defended the start of Western deployment as a counter-balance to the Soviet medi-urn-range weapons. "A policy that accepts a monopoly for the Soviet Union in the medium-range area and accepts the associated military superiority cannot be tolerated let alone approved through inaction."

Reuter reports: President Ronald Reagan said he was dismayed by Mr Andropov's announcement He said, however, that the U.S. remained ready to resume the talks on medium-range missiles and was determined to renew efforts to do away entirely with the land-based weapons system.

Lawson tries to quell tax increase fears

BY PETER RIDDELL, POLITICAL EDITOR, IN LONDON MR NIGEL LAWSON, Britain's the time for decisions on appropri- cord and was always "the bearer of

of British Industry's criticism of his have much more, and more up-to-autumn economic statement by ex-date information." He then stressed pressing confidence that on present the hope of reducing taxation durpolicies, the level of taxation would ing this parliament, which must be reduced during the lifetime of end by 1988 at the latest. the current parliament.

be taken next spring. Mr Lawson was opening yester-

last week's statement when he had warned that on current projections taxes might have to rise by £500m (\$734m) next spring if public sector borrowing was to be held down to the present target of £8bn in 1984-1985. The CBI, the employers organisation, has warned that any tax increase could kill off the recoverv. Mr Lawson yesterday noticeably tried to dampen worries about Treasury's forecast of a 3 per cent tax increases. He conceded that growth in output next year in the "the overall fiscal prospects have face of the more pessimistic view slightly deteriorated since the last taken yesterday by the National In-

Chancellor of the Exchequer, yes-terday reacted to the Confederation By the time of the budget we shall In his speech, he confirmed that

He argued that this was one on the latest expenditure decisions the British Government's main ob would mean that spending in real jectives, whatever decisions had to terms would be broadly constant over the next three years.

He added that if the economy grew steadily, there would be scope for real cuts in the level of taxation. Pressed about a debate on long-term public spending trends, Mr Lawson said it was very desirable to maintain the momentum of public discussion and he wanted to publish some form of documents for the public expenditure prospects.

Mr Lawson also defended the

stitute of Economic and Social Re-He pointed out that the figures at search. This suggested that the this stage "are subject to a wide economy might expand by 2 per margin of uncertainty and rest on a cent next year. Mr Lawson said number of conventional assump- that the Institute - "bless its heart" tions. The autumn statement is not - had a poor forecasting track re- 1982-1983.

gloom and doom."

Scepticism about the Treasury forecasts was expressed during the debate by Sir Ian Gilmour, a former Conservative minister and a persistent critic of the current strategy. He was doubtful about the expected contribution to recovery from the growth in exports. Looking back at the recovery in output over the last two years, he said it largely reflected the big increase in public spending and lower taxation.

In his speech, Mr Lawson sought to answer conservative backbenchers who have been pressing for more capital investment by the public sector. He said the present definitions were calculated after deducting sales of assets and ignored nationalised industries. They treated virtually all defence spending as current even when it was on capital items, like buildings and ships.

Mr Lawson said that if nationalised industries were taken into account, and special sales of assets and council houses were added on public sector capital investment had risen in cash terms from £12bn

GM heads for £53m deficit in UK after trucks setback

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN LONDON

management and trade union offi- cluding 8,700 hourly-paid. cials, GM says that nearly all the loss will be attributable to the Bedford trucks business.

are also expected to suffer a small loss in spite of achieving record new car sales this year.

would have to be looked at but a spokesman yesterday insisted that Bedford had no plans to reduce the

GENERAL Motors is heading for a (including 5,884 hourly-paid) and net loss in Britain this year of about the workforce has recently been 553m (\$77.38m) compared with a loss of £38.7m in 1982.

the Wauxhall car operations. Vaux-In a confidential report to senior hall's workforce totals 11,580, in-

To reduce some costs Bedford is to stop regular production of some truck models and in future they will But the Vauxhall car operations be available to special order only. Mr Battenburg pointed out that

financial support for Bedford. Earli-The Bedford and Vauxhall busi- er this year GM said it would spend nesses were separated into two an immediate £50m rising to £70m companies on January 1 this year. by the end of three years to revamp The record combined loss was the Bedford van lines at Luton.

A new one-tonne van, based on the Isuzu WFR model (GM has a 36 general manager, says in the report that the company's manning levels Japan) will come on stream late in 1984. Vauxhall has assured the Department of Trade and Industry that the EEC content of the van will workforce any further.

Bedford currently employs 8,475

be pushed to 80 per cent within three years.

In all, GM has said it will spend around £130m on its UK businesses by mid-1986, mainly financed by loans to Vauxhall and Bedford from the parent group.

Mr John Fleming, Vauxhall chairman, says in the report that the company will make a small loss this year. He indicated last month that the three-day pay strike in Septem-ber might have cost Vauxhall its first profit since 1978

Mr Fleming says Vauxhall's car sales are expected this year to reach a record of over 262,000 (against 181,737 in 1982).

This would give the company a market share of around 15 per cent (11.7 last year). He forecasts sales volume of more than 300,000 cars in 1984 so that Vauxhall would reach a 16 per cent market share a year earlier than previously expected.

Chrysler may seek Mitsubishi link, Page 21

System X wins major Brazilian sugar order from UK city

BY GUY DE JONQUIERES IN LONDON

order against strong international competition to supply System X, their advanced digital exchange, to the Hull Telephone Department, which runs the only indepen-dent local telephone service in the

This is the first important contract that System X has captured against non-UK bidders and could help its sales prospects elsewhere. The state-owned British Telecom (BT), which has invested more than £300m (\$450m) in developing System X, has been its only large cus-

tomer until now.

The initial order from Hull is for three exchanges worth more than £5m (\$7.3m), the first of which is due to enter service next year. It plans orders worth about another £15m for further System X exchanges to be installed before the end of the decade.

Plessey and GEC, tendering jointly, are believed to have submitted the lowest bid. The final choice was between them and Thorn-Ericsson, which offered the highly successful AXE exchange developed by L. M. Ericsson of Sweden.

The other bidders were AT&T and Philips, the joint venture formed recently by American Telephone and Telegraph and Philips of the Netherlands; CIT-Alcatel of France; Canada's Northern Telecom; and Britain's Standard Tele-

PLESSEY and GEC have won an phones and Cables, which offered a order against strong international modified version of System 12 developed by ITT of the U.S.

Hull Telephone Department, part of Hull City Council in north east England, plans to use System X to replace all its 14 local exchanges. It serves more than 100,000 subscribers in a 120 sq mile area on the north bank of the Humber.

The department was the only lo cal telephone business to resist successfully a takeover by the Post Office early this century. It is fiercely proud of its independence and emphasized yesterday that its decision to order System X was based solely on business criteria.

Hull had previously considered

buying System X from Standard Telephones and Cables, but was forced to change its plans when the company withdrew from the System X programme last year.

The contract was opened to international competition to comply with the rules of the European Investment Bank, which is helping to finance the modernisation So far, the sole overseas order for

System X, worth about 52m has been placed by Cable and Wireless for a single 5,700-line exchange to be installed on the Caribbean island of St Vincent. A major effort was made to win business in India, but despite British Government offers of bilateral aid, the contracts went to France's CIT AlcateL

group files for protection

By Andrew Whitley in Rio de Janeiro

THE COSTA PINTO group, a major sugar trader and Brazil's leading private exporter last year, has filed court protection against bankruptcy, on behalf of three of its companies, including the holding company, Costa-Pinto de Comercio e In-

This decision follows a three-year dispute between the Costa Pinto group and the state-run Instituto do Açucar e do Alcool (IAA), the sugar and fuel alcohol industry's supervisory body, over an unfulfilled contract to sell sugar to the Soviet

In February the IAA suspended sugar supplies to the group's Cay-man Islands subsidiary, Costa Pinto International, forcing the Brazilian company to renegotiate agreed sales contracts.

Then last week Banco Comind, a leading São Paulo bank, took court action in New York, against Costa Pinto International, Comind asked frozen, as security against an unpaid \$10m debt.

Pressure mounted further against the group on Tuesday when Lloyds Bank International - in an unrelated action - objected to a \$5m bill guaranteed by the parent company in Brazil.

abroad had been damaged

In a formal statement Costa Pinto said its standing at home and

ment of its \$1.5bn loan agreed earli- a major new rescheduling package.

ly if all creditor banks agree. Some in. bankers were worried yesterday that time may now be too short for he would not interfere with the the drawing to be made on Novem-signing of rescheduling agreements

If so, it would have to be postponed for a third time, though there sibility of the military Governwas still "an outside chance of it go-ment," he said. s i 34 ling through, on t 8 22 said yesterday. ing through," one banker in Europe

radical Government which takes of- debt next year. Interest payments fice on December 10 would aim for will come to \$5bn, said Sr Grinspun.

Such a drawing can go ahead on- start "within days" of it being sworn

worked out by the outgoing administration. "This is the total respon-

New estimates suggest that Argentina faces repayment of principal Sr Grinspun hinted that the new totalling \$14bn on its \$40bn foreign

IBH head quits as survival bid fails

By John Davies in Frankfurt HERR Horst-Dieter Esch vesterday

announced his resignation as head of the struggling IBH construction equipment concern, conceding defeat in his efforts to keep most of the group together under a restructuring plan.

He said he understood there was

no hope for his plan after discussions between West German bank creditors and IBH shareholders in the last few days.

He indicated that the only possibility now was a break-up of IBH - to find solutions to its difficulties at a national or company level.

Herr Esch wanted the support of

shareholders and creditors to main-tain a core operation of IBH's U.S., UK and West German units, but to hive off its French and Brazilian subsidiaries. He proposed this restructuring as

part of a court-supervised settle-ment with creditors. He also wanted creditors to write off 60 per cent of the group's debt.

IBH turned to the courts, declar-

ing itself insolvent, in the wake of the West German banking system's intervention to rescue the private bank Schröder, Münchmeyer, Hengst (SMH).
SMH floundered largely becaus

of major lending to IBH and associated companies and is now being run, in effect, by representatives of the entire West German banking IBH was founded by Herr Esch

eight years ago and has been built up into one of the world's largest to mo one of the world's largest construction equipment groups through a series of takeovers.

Herr Esch, has a personal stake of just under 9 per cent in IBH. Other major shareholders include General Motors of the U.S. and the Dalible Eschlichter of Scott Archive

lah Estab<u>lishment of</u> Saudi Arabia (both with just under 20 per cent). Powell Duffryn of the UK (132 per cent), Babcock International of the UK (10.1 per cent) and the SMH bank (7.5 per cent). Herr Esch said at a press confer-

ence in Frankfurt that his plans would have involved salvaging a nucleus with world sales of DM 1.45bn (\$540m) a year and capital of He had proposed that the capital

be supplied by the existing share-holders, including SMH, General Motors, the Saudi Arabians "and

The group would have consisted of a slimmer Terex in the U.S., the Terex unit in Scotland incorporatmag, Hamm, Duomat and a slim-mer Zettelmeyer in West Germany. Such a group would have required no more credit than IBH for-merly had, he said. Herr Esch said that SMH had risk exposure at IBH of between DM 900m and DM 1bn. If IBH were "smashed," the bank would lose between DM 600m and DM 700m, but under his plan it would have lost only about DM

300m, he said. He refused to be drawn on the source of opposition to his plans, and said matters had not reached the point of an explicit "No."

"I don't want to point the finger at any bank or shareholder and say who is to blame." he said. But he was convinced his plan had no chance and he had decided to step aside in the hope that this

would speed up rescue operations. Herr Esch said that IBH and he himself had made some mistakes, but none of these mistakes account ed for the group's present difficul-The main reason was that in the

past eight years IBH had never succeeded in winning the support of the big West German banks, even though it had considerable shareholder capital and the support of for the company's U.S. assets to be banks in the U.S., France and the He said that IBH's bank debt was

DM 550m, which was not excessive for a group of its size. Worldwide, its total debts to banks and suppliers and other liabilities totalled between DM 1.2bn and DM 1.3bn. Herr Esch said that IBH made loss of DM 112m last year, after tak-

ing account of General Motors reement to waive a claim of DM 100m. This year the loss would fall to about DM 60-70m, taking account of a DM 130m waiver by GM. He said he did not believe that

GM was against his plans of the group's restructuring because it wanted to sell the Terex site in the He believed GM would try to find

a solution for Terex - which it for-merly owned - but he did not believe it would become involved in construction equipment again. Dr Wolfgang Petereit, the court-appointed administrator, said he knew of at least three companies in-

of IBH's West German operations. Iwo are European companies and the other is from the Far East. Meanwhile, Hanomag - IBH's Hanover-based subsidiary - has received government aid to continue THE LEX COLUMN

New prescription for Boots

Boots has returned to fashion with a vengeance in the last six months, a performance which owes almost as much to the company's new-found propensity for doing deals as to better trading. The results are certainly good, however, with pre-tax profits up by a quarter to £65.1m for the six months to Sep-

The industrial division seems to have more muscle behind it than the stores. In particular, the conversion of ibuprofen from a prescription drug to an over-the-counter an-algesic is running well to timetable in the UK – where £1.4m has already been sunk in establishing the "Nurolen" brand name.

While FDA approval for over-the-counter marketing has still to come in the U.S., prescription sales of the drug are still careering ahead to the point where they account for about one eighth of Boots' total pharmaceutical turnover.

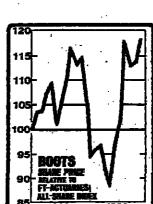
Although the next pharmaceutic cal innovation, a cardiac compound, is still some way down the pipeline, there should be few obstacles to Boots in keeping up the rate of progress in its industrial side, which already makes a long half of total profits.

Despite the evidence that more effective use is being made of the property portfolio and that work is being done to improve the mix of goods and productivity, retailing may not be such a rewarding pro-

With a prospective multiple of about 14 times and a yield of about 4½ per cent, the shares may have a 22 per cent, the snares may have a bit further to go. But the group has none too long to establish a reinvig-orated retailing formula. If it can-not, perhaps the retailing ballast should eventually be cut loose in a demerger.

After the havoc wreaked by his last visit less than a month ago, Burnett & Hallamshire's new chairman was received in the City yesterday with all the enthusiasm accorded an unexploded bomb.

There were no major surprise and the group has at least main-tained its dividend. But further details about the short-term outlook in the U.S. and the size of the problem in South Africa - not to mention the basis of last year's profits helped to push profit forecasts low-er still and knocked the share price down another 7p to 1680.



In the latest six months B&H has doubled the number of invest-ments in its Californian property portfolio, which has now cost a total of \$15m and carries contingent liabilities of \$25m.

It is clear substantial development profits are expected on this, but they will not come this year and B&H meanwhile is just as clearly undecided about the whole idea of further investment in the sector.

Uncertainty also hangs over the future of B & H's non-consolidated South African subsidiaries, current ly valued in the books at £19m.

Redland

The sequence of international recovery in the construction industry can be pinpointed with uncauny ac-curacy in Redland's results. In the vide encouraging evidence that the UK the turning point occurred in UK Government's budget changes September 1982. The U.S. and West have reduced Tricentrol's PRT pay-Germany followed in the second ments to the basic minimum - even quarter of this year and Australia's if there will be some corresponding low point was registered a matter of rise in the corporation tax to per-

tember, at £40.5m.

year on the basis of recently-won

Tile volume, however, may be stagnant next year, but cost savings associated with new plant should keep profits moving ahead here.

Profits abroad have been boosted by a better-than-expected performance from the Texan aggregates acquisition, which has already enhanced earnings per share. Profits from existing foreign subsidiaries, meanwhile, have jumped by 88 per cent or so, with tile volume at Braas in West Germany up by a tenth.

Redland - always a strong con-vert to CCA accounting - has a double motive this year for prominently displaying the figures, which show a 47 per cent improvement at the pre-tax level. The improvement is backed up by

the further cash inflow projected this year - of £25m after paying tax and a dividend back at 1979-80 levels in real terms. This year £90m is on the cards, against £66.3m.

The shares, up 8p yesterday at 270p, produce a prospective p/e on a 40 per cent tax charge of 10%.

Tricentrol

Tricentrol, it seems, can do noth-With its new U.S. coal operations ing right in the eyes of the market losing money, the group's core busi- A month ago, the group announced nesses look hardly more predic- a sensible deal in the North Sea and table than the property. But pre-tax then ruined the effect by financing profits of £13m ought to be achievity with yet more equity. The market able this year, which on a stated tax was no more impressed by yesterbasis would leave the shares trad-ing on a multiple of 7.6. The divi-showed net income rising by a fifth dend yield is now up to 7.6 per cent. to £7.3m. The shares responded with a 10p drop to 188p.

The most charitable explanation of the price movement is that respectable figures have made the threat of a bid more remote. Yester-

weeks ago.

Even for a company like Redland, which has held on to its earnings through the recession, the return of with Tricentrol's failure to produce volume growth has had a powerful any substitute for Thistie field cash geared effect on pre-tax profits, up flow, which is now on the wane. Un39 per cent in the half-year to Sepdeterred, the group continues to tember, at £40.5m. spend heavily and, on present bud-In the UK tile volume has moved gets, borrowings could well equal up 20 per cent and is the main mo-tor behind an underlying rise in do-thing, the North Sea tax carrot is mestic trading profits of 29 per cent, tempting Tricontrol to spend more stripping out property sales. Profits heavily there without producing growth in aggregates has slowed, much obvious determination to cut but should pick up against next back elsewhere.

• ELECTRONICS

NEWS REVIEW BUSINESS

£1.5 million communication order

British Telecom International has chosen Ferranti SMS/ IBS/770 microwave equip-ment for use in its first operational earthstation for the SatStream small-dish satellite equipment

The order, won by the Microwave Division of Ferranti Electronics Limited, is worth £1.5 million. It gives British Telecom an interface with both the Intelsat and Eutelsat systems. The British Telecom Inter-

national SatStream service will offer private digital com-munications to businesses nunications to pushesses across Western Europe using the European Communications Satellites and the French Telecom 1 systems. The equipment will be manufactured at the Ferranti Microwave factory at Poynton in Cheshire and delivered to British Telecom's earth station at Madley. Ferranti has already supplied nine of the twelve pre-pressions. the twelve pre-operational terminals for the SatStream service with equipment worth

Briefly . . .

Ferranti Computer Systems Limited, Cheadle Heath Division has signed an agree-ment with Advance Tech-nology (UK) Limited to pro-duce the new Advance 86 micro-computer. A MIL-STD-1553B/VAX Inter-

face has been developed by Ferranti Computer Systems, Bracknell Division, enabling pre-delivery testing and inte-gration of 1553B-based systems and modules.

ADVERTISEMENT

Automated chips

Ferranti Electronics Limited has announced its silicon compiler based design system which the company believes places it at the forefront in automating the design of integrated circuits. The Ferranti Silicon Design System provides powerful new design software, a VAX 11/730 based design station and a completely new range of autoroutable ULAs (Uncommitted Logic Arrays) committed Logic Arrays) whose highly structured architecture has been developed hand in hand in the autolayout software.

Secondly, the system allows

Ferranti to create the design of a brand new generic ULA to add to the range in less than five minutes; a task which could otherwise be expected to take a month or more.

The new range of autorourable ULAs initially offers chip complexity from 1,000 to 5,000 gates with 1nS speed 5,000 gates with 1nS speed and CMOS power levels. The Silicon Design System, including the new range of ULAs, will be available for Ferranti designs during the first quarter of calendar 1984 and for customer designs during the second quarter.

DEFENCE

First round success

Ferranti Computer Systems Limited, Cheadle Heath Division, has received an order from the Sultanate of Oman for PACER MARK 2 omaz for PACER MARK 2
muzzle velocity measuring
equipment. This order, the
first since the equipment's
launch earlier this year,
follows a successful series of
tests in several countries.
Used with guns of 75mm
calibre or larger, PACER
MARK 2 is fully automatic
and provides instantaneous and provides instantaneous measurement of muzzle

velocities, within the range 100 m/s to 1,400 m/s, accurate to within 0.1%. Muzzle velocities are displayed on a hand-held terminal and can also be transmitted to a printer or hallistic commuter. transmitted to a printer or ballistic computer.

The new equipment is smaller, lighter, more versatile and cheaper than the equipment it replaces — the well established PACER MARK 1. It can be mounted



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World Weather S 25 77 S 5 41 F -12 10 C -3 27 C 14 57 S 77 81 C 11 52 F 14 57 C 17 63 F 6 32 C 3 37

Argentine loan plea

Continued from Page 1

ber 30.

er this year "continues to merit support," the telex said.

Formal negotiations with the international Monetary Fund would

Sr Grinspun said, however, that

terested in taking over some or all



SECTION II - INTERNATIONAL COMPANIES

FINANCIALTIMES

Friday November 25 1983



Chrysler considers link with Mitsubishi

CHRYSLER has indicated that it is considering several manufacturing alternatives, including a link with Mitsubishi, to cope with the new competition which will emerge if General Motors is given the goahead for a joint venture with Toyota of Japan.

According to reports in Detroit, Chrysler is considering four different possible deals with Mitsubishi, one of which would be to produce 240,000 Japanese designed sub-com-pact cars a year in the U.S. Mitsub-ishi currently makes the Dodge Colt model in Japan for the U.S. company, and it is thought that one plan being considered is to transfer this production to the U.S.

Chrysler appears deliberately to have leaked news of its talks to put maximum pressure on the Federal Trade Commission which is now examining the GM-Toyota joint venture. Under this manufacturing project, GM is planning to open a plant in California to make small cars designed by the Japanese company, thus bringing together the two largest motor groups in their respective

Both Chrysler and Ford have warned that this project would have a disastrous impact on their own ability to compete, while destroying the entire U.S. industry in the small

GM has responded that collaboration will help it to develop its own resources in small cars. Chrysler, however, has consistently rejected this argument, and its latest comfollow similar discussions with Volkswagen and seem designed to bring home to the U.S. administration the fear that the U.S. could lose out completely in this market.

Pfaff profits and sales up

By Our Financial Staff

PFAFF, the West German sewing creased sales and profits in the first

nine months of this year.

The company, based in Kaisers lautern, has lifted sales by 10 per cent to DM 574m (\$212m), with more than two-thirds of revenue

coming from abroad. Industrial and household sewing machines each gained 10 per cent more revenue – industrial equip-ment sales reaching DM 381m and household machines DM 193m.

Pfaff gave no profit figures, but said results were better than in the same period last year, even though some foreign business was hit by

exchange rate problems.

Canadian recovery begins to lose momentum CANADA'S profits recovery, fuelled and above for the following year.

by falling interest rates, improved the pace of economic growth slack-Companies notched up aggregate

after-tax gains of 80 per cent or more over the trough of the business cycle which occurred during the corresponding period last year, analysts' surveys show.

But growth between successive quarters has slowed sharply. With the majority of companies having reported, Wood Gundy, the Toronto stockbroker, estimates the profits pick-up over the second quarter at

"The big rise is already behind us," said Dr John Grant, Wood Gundy's chief economist.

The pace of economic recovery has slackened. During the first half of 1983, gross national product (GNP) grew at an annual rate of close to 7½ per cent, but is expected to slip back to 5% per cent in the second half and to 4%-5 per cent in the first six months of next year, slowing further in the second half of 1984 to a more sustainable 3% per

Profits recovery is still expected to be significant. Analysts have trimmed their best estimates, both for 1983 and 1984, but the outcome

Profits at the moment, however, balance sheets and higher consumer spending, slipped back into a lower gear in the third quarter as fore they return to the historical average of slightly more than 11 per

By the end of the third quarter companies had gone to the market for more than CS5bn (U.S.S4bn) of equity, passing the previous annual high of CS3.1bn in 1981. But corporate debt remains historically high and the need to repair liquidity ratios will continue to be a depressing factor on capital spending through

For the important resources sector, however, it will not be corpo-rate spending at home which will increase its profits but a continued recovery in the U.S. and, for the me-tals and mining sector in particular, a pick up in Europe and Japan.

It is the poor performance of the metals sector, and to a lesser extent the pulp and paper industry, which have led analysts to trim back their earlier higher aggregate profit pro-Having improved from their

worst levels of a year ago, metals prices have either stopped advanc-ing or have stuck at prices below profitable production. We had a rebound and came back to square one in most metals, which is unusual," said Mr Paul Roberts, mining anashould be gains of 50 per cent and lyst with Toronio stockbroker, Mer-more for this year and 25 per cent rill Lynch Canada.

may be increased if the sale was ac-

complished as part of an overall

Now Superior's board has de-

clared a stock dividend equivalent

to % of a share of new convertible

preferred stock for each common

Earnings improve at Texaco Canada

are exceptions. Aluminium, buoyed by a rise in consumer demand, has cents a year ago. Alcan, the Mon-

corresponding quarter.

Nickel is past its worst, but has come back from its best levels to around U.S.\$2.15 a pound, leaving

Within that general picture there ket three times for new money, has reduced losses at the pre-tax level quarter by quarter this year, but isrisen to 76 cents a pound from 46 come tax relating to earlier years pushed third-quarter net losses to

> Noranda, affected by depressed copper prices, zinc, which is cif the bottom, and forest products, also failed to make profits in the third quarter, with a loss of CS7.3m., but CS50.6m. The metals and mining sector as a whole is in loss and

to profit, but the big newsprint pro- tated, made a CS35.4m profit.

ducers, Abitibi-Price and Consolidated-Bathurst, are still operating we'll below capacity and reported lower third-quarter profits. Abitibit was down 12 per cent on the corresponding period at CS7.1m and Con-solidated-Bathurst 20 per cent low-

creased oil production in the west, and improved refining and marketing margins, although gas sales re-

The industry has mothballed some 20 per cent of its refining capacity in 1983, and capital spending has been sharply curtailed.

The fall in interest rates is most Equiceable in the results of the trust companies, whose main business is fixed term mortgage lending.

Industrials and consumer produms groups benefited from falling interest rates, better consumer demand and improved cost control. Massey-Ferguson, having completed its second financial restructur-ing, sharply reduced third-quarter losses to U.S.S11m from U.S.S87m a

year before.
Rising automobile sales and a that compared with a loss of state to the larger Canadian-prothird-quarter profits up to CS40.1m real growth is still to come.

locks unlikely to turn round until from C\$800,000. Stelco, Canada's the second quarter of 1984. largest steel producer, remained in
An upturn in U.S. housing starts
pushed Domtar Weldwood back inproducts are more consumer orien-

Consumer spending has risen and the savings ratio has fallen from 15.1 per cent in 1982 to 19.4 per BANQUE Bruxelles Lambert cent in the second quarter. Economists expect the ratio to fall again, but only slightly. Interest rates are not expected to drop sufficiently to give a further sharp boost to profits.

The oil and gas sector has re-bounded from its low point on in-covery in the resources sector will push aggregate earnings higher next year, providing the world economy continues to improve and metals prices start to move upwards once more.

Economists are expecting a fun ther rise in consumer spending based on an increase in disposable income flowing from greater em-

On the cost side, stocks are beginning to rise again in response to consumer demand, but average from tax concessions offered by the for the past five months, and wage costs are expected to be only 4 per cent up next year, slightly below the predicted rate of inflation. Capacity utilisation has still some way

to go (it remains below 70 per cent)

to reach average historical levels, and margins should improve. At the moment, Canadian compa duced cars pushed Ford Canada's nies are partially recovered, but

BBL lifts earnings and payout in year

(BBL), the second largest Belgian bank, is paying out 21.3 per cent more in dividends for its financial year just ended on the back of a 17.6 per cent increase in net profits to BFr 1.07bn (\$30.4m).

The high level of dividend pay-ments arises from an increase in the bank's equity capital during the year to September and the fact that withholding tax on dividends is being raised next year from 20 to 25

BBL is in effect absorbing this increase to permit holders of the old shares to receive a net dividend of BFr 90 compared with an adjusted BFr 84.4 for 1981-82.

Holders of new shares, benefiting Government to encourage capital raising, will pay tax at the former rate of 20 per cent and will receive dividends for the second half. This has been set at BFr 48 net.

Total cost to BBL of this level of dividend payments is BFr 741.5m or 21.3 per cent more than was paid out for the 1981-82 year. In 1982-83, BBL further streng-

thened its position. Profits have recovered steadily since 1979-80 when the dividend was passed and the way opened up for a takeover of Groupe Bruxelles Lambert, then the holder of 45.8 per cent of BBL. This stake has been wound down

to 9 per cent. BBL's equity base has been strengthened by a share issue. That and the addition of subordi-nated loans has taken the bank's capital, reserves and subordinated loans to BFr 26.56 against BFr

Consolidated profits before tax and depreciation in the year to last September were BFr 7.36bn, or 23.7

per cent higher But the figures are not strictly

Abitibi-Price little changed Canadian National advance continues Coasd. Bathurst lower

treal-based producer, reported U.S.572.1m compared with third-quarter profits of U.S.527m, a U.S.566.4m in the corresponding peturnround of U.S.542m from the riod.

Inco and Falconbridge, the two large Canadian producers, still

making losses. Inco, which has gone to the mar-

By David Marsh in Paris

credits

POCLAIN, the troubled French exvator manufacturer which has already this year been the object of a major financial rescue package, has started talks with the French Goveroment and banks to try to agree fresh credits.

share held. It was designed to en-sure that shareholders receive fair Poclain is thought to be seeking several hundred million francs of treatment in the event of a takeover new money to back the company's new strategy of continuing work-force cuts and investing in key The company said it continued to believe that the "long-term interest of the Superior shareholders will be

After reducing its staff by around 1,200 over the past two years to roughly 6,000, Poclain is planning a further 600 job cuts

This year's rescue plan, involving a total of FFr 680m (S82.9m) in capital injections from banks and shareholders, including a capital increase, fresh credits and debt restructuring, was agreed on the ba-sis of Poclain returning to break even by the end of the year.

In fact, faced with a further slump in excavator demand and increased competition from Japanese manufacturers, Poclain will probably lose at least FFr 160m to FFr 180m after a loss of FFr 283m

Superior moves to block bid threat

BY OUR FINANCIAL STAFF

SUPERIOR OIL, the big U.S. inde- sion that the value of his shares pendent oil company, has moved to defend itself against a possible takeover by declaring a dividend of new convertible preferred stock.

The move, along with the hiring of Morgan Stanley as the compa-ny's investment adviser, follows this week's revelation by Mr Howard Keck, the biggest sharehol-der, that he was looking for buyers for his 11.4 per cent stake, worth more than \$500m, and the stock he controls through trusts.

Dutch paper group recovers

BY WALTER ELLIS IN AMSTERDAM

BÜHRMANN-TETTERODE, the 1982 while sales were 2.8 per cent

year, net profit at F1 8.6m was 66 pre-tax result to rise by 85 per cent per cent up on the same period of to F1 25m.

Dutch paper and printing machinery group, has continued its recovery this year with third quarter earnings of just under FI 22m (\$728,000) on sales of FI 654m.

One the first pipe months of the control Over the first nine months of the terest repayments permitted the

Asea profits jump by 92% **Poclain** seeks new BY KEVIN DONE, NORDIC CORRESPONDENT, IN STOCKHOLM

ASEA, the Swedish electrical engi- ed in particular by the strong permeering and electronics group, formance of the power trans-nearly doubled its profits in the mission and transport equipment first nine months of the year, help-divisions and earnings from power

Profits before tax, allocations and extraordinary items, jumped by 23 per cent to SKr 1.35bn (S170m) compared with SKr 701m in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 17 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 17 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 17 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 17 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 17 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 18 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 18 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply Sales rose by 18 per cent in the first nine months of the year to SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 26.7bn from SKr 17.7bn 2 marginal proved sharply SKr 27.7bn 2 margina

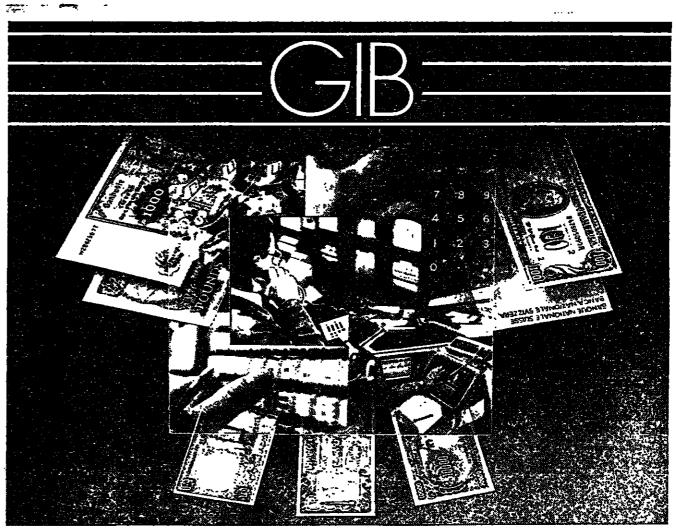
corresponding period last year. book worth
Group profitability has been help-

er, and the company had an order book worth SKr 31.8bn at the end of

ers, Asea said yesterday that new orders rose by 11.1 per cept in the first nine months to SKr 20.2bn. New orders from Western Europe rose by 30 per cent and orders from

In an interim report to sharehold-

the U.S. jumped by 50 per cent. For the first nine months, Asea increased its earnings per share to SKr 17.30 from SKr 8.40 a year ear-



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GIB-The International Bank of the Seven Gulf States

FRENCH GROUP RULES OUT SALES OF NEW MODEL TO NORTH AMERICA

Renault gets R25 into gear

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT. IN LONDON

RENAULT has finally decided not

the R25, in North America. The state-owned French which gives the first official details over FFr 1bn (\$124m) on the newcomer which replaces the R20 and R30 models and gives the group much more competitive power in its battle with other volume manufacturers' up-market cars.

Renault believes the R25 will take sales from cars such as Ford's Granada, General Motors' Opel en CX, the Audi 100 and BL's Rover Realistically, Renault does not

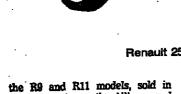
believe it can capture many sales from the specialist groups, such as

Mercedes or BMW. It comforts itself, however, with the results of its survey, showing that in most of the major European markets customers are shifting significantly away from "status symbol" models. R25 production will begin at Renault's Sandouville plant near Le Havre, next month. The car will be

The output target is around 600

R25s a day, roughly 200,000 a year, compared with the peak of 400 a day reached in combined production of R20 and R30 models in the mid-1970s. Recently, output of R20s and R30s has been well below that level

and the last models to be produced came off the line two weeks ago. Renault has been under considerable pressure from its U.S. asso-American Motors (AMC), in which it has a 46 per cent shareholding, to provide a bigger car to that exports from France to North follow the successful launches of America would be warranted, and its best-selling R5 (due to be super-



North America as the Alliance and the Encore. AMC is producing Alliance and Encore cars at its Kenosha plant at the combined rate of 1,100 a day, compared with the original expecta-

West Germany and the Benelux countries. Britain gets the car in June. Renault does not want to disturb priced segment of the North American car market with the R25. The Alliance and the Encore are

among the least expensive cars available in the U.S. and AMC and Renault have been using low price as a major part of their marketing campaign.

The French group believes sales of the R25 in North America would

be too low to make assembly there

worthwhile, even though the car was designed with the U.S. and Cament programme. The group re-nadian markets in mind as well as ceived FFr 1bn towards its 1983 Renault has achieved a Cd or In addition, Renault does not feel

Renault 25 - due for launch in Europe next March executives point to the low sales of its French rival, Peugeot, which had only 14,300 registrations in the U.S. totalling around 5m units a year, So Renault's next model to be as-

> R18 medium-sized saloon. Replacement of the R18 is not scheduled until 1986, but sales of

> fore, could well be replaced in the

autums of 1985. Government's willingness to provide financial support for the speeded up new model programme. overall image for the group. So the Renault has asked for another FFr Sandouville employees have been lim towards its FFr 9bn 1984 invest- involved right from the design

spending of FFr 9.5bn.

has dropped sharply. Five years ago one in 10 Renault

sembled in the U.S. as well as Eu- customers bought an up-market rope will be the replacement for the model. Now only one in 20 does so. There is also much greater profit potential in top of the range models. Renault, however, acknowledges the model in Europe have dropped that customers look for much highsharply in recent months, and Re- er quality in up-market models and nault is believed to be pulling for- for this reason has introduced an ward the whole of its car replace- unorthodox training programme for

ment programme. The R18, there- employees at Sandouville. Renault has made it clear that Much will depend on the French the quality of the R25 - a quality which will set the tone for the rest of the range and help build a better overall image for the group. So the

drag co-efficient of 0.28, allowing Renault chose to replace the R20 the R25 to take on the Audi 100's

Anglo American Corporation of South Africa Limited

(Incorporated in the Republic of South Africa)

INTERIM REPORT

FOR THE SIX MONTHS ENDED SEPTEMBER 30 1983

The following are the unaudited financial results of the Corporation and its subsidiaries for the six months ended September 30 1983 together with the corresponding figures for the six months ended September 30 1982 and the year ended March 31 1983

Six months

Six mouths

	ATZ MARINE	GEV MORING	
	ended	ended	unded
	30.9.83	30.9.82	31.3.83
	R million	R million	R million
Dividends from associated com-			
panies	155.9	132.1	315.6
Dividends from general investments	69.7	47.7	132.6
Interest earned and fee income less			
expenses	96.5	93.9	217.7
Trading profits	140.0	136.9	262.0
Surplus on realisation of invest-	120.0	100.0	
mouse on remindrate of Michi-	3.5	14.8	23.4
meats Surplus from life assurance		4.5	10.3
	6.0	1.0	70-0
Income from subsidiaries not		2.1	2.1
consolidated		2.1	2.1
		400.0	
	471.6	432.0	964.7
Interest paid	95.5	88.1	187.5
Costs of prospecting	26.5	21.1	39.5
or brosherraf utilities.			لنتنا
	122. 0	109.2	227.0
Profit before taxation	349.6	322.8	737.7
Taxation	59.4	57.9	121.3
			210.4
Profit after taxation	290.2	264.9	616.4
Outside shareholders' interest	46.6	48.1	105.1
Preferred stock and preference	1 1	1 1	_
Preferred stock and preference share dividends	2.2 (1 2.2	4.5
	48.8	50.3	109.6
	45.5	30.3	103.0
Consum attributable much before			
Group attributable profit - before			
share of retained profits of	841.4	214.6	506.8
associated companies	241.4	214.0	200.0
Share of retained profits of asso-	00.1	94.8	137.7
ciated companies	89.1	34.0	13(.1
Profit before extraordinary items	330.5	309.4	644.5
Extraordinary items	33V.3 9.6	(4.1)	(14.1)
Extraordinary items	9.0	(4.1)	(17.1)
	339.5	305.3	630.4
Ordinary dividends	339.3 79.5	79.4	249.7
Otomaty dividends	15.3	49.=	
	260.0	225.9	380.7
		220.0	
Mumber of ordinary shows in Jesus			
Number of ordinary shares in issue	000 440 515	000 000 101	226 998 191
at end of period	22 7 113 615	226 906 134	770 899 191
Earnings per ordinary share—cents			
Excluding share of retained		24.5	002.5
profits of associates	106.3	9 <u>1</u> .6	223.3
Including share of retained	-		200 2
profits of associates	145.5	136.3	283.9
Dividends per share — cents			
Interim	35.0	35.0	35.0
Final	-	_	75.0
Notes:	a 1. ac		01 1000 haine
1. Further issues of shares between	September 30 198	s and November	24 1992 Deliga
the date of declaration of interin	ı ordinary dividen	a No. 90, resulted	in a total of
227 165 676 shares qualifying for			
2. Particulars of the Group's inter-	ests in listed ass	ociated companies	and general
			_

Particulars of the Group's intere- investments are as follows:	ests in listed	associated companies	and gener
	At 30.9.83 R million	At 30.9.82 R million	At 31,3.83 R million
Associated companies	W IIII III	и шиноп	м шинов
Market value	6 217.9	4 390.1	5 780.8
Carrying value	2 624.6	2 134.4	2 495.8
	3 593.3	2 255.7	3 285.0
General investments			1 548 0
Market value	1 691.9 228.4	1 319.1 200.5	1 543.0 209.2
Book cost	228.4	200.3	2092
	1 463.5	1 118.6	1 333.8
Appreciation	5 056.8	3 374.3	4 618.8
Outside shareholders' interest		-	
therein	472.0	270.8	453.5
	4 584.8	3 103.5	4 165.3
 Net asset value per ordinary share (after providing for divi- 			

dend) based on the market September 30 1983 and the directors' valuation of unlisted investments at March 31 1983

COMMENTARY Profit attributable to ordinary shareholders for the six months ended September 30 1983 on an equity accounted basis was R330.5 million (145.5 cents per share) representing an increase of 6.8 per cent compared with the corresponding six months of 1982. Excluding the share of retained profits of associated companies, which is transferred to non-distributable reserves, attributable profit rose by 12.5 per cent to R241.4 million (106.3

3 623

The increased dividend income from associated companies and from general investments was largely attributable to higher receipts from gold investments. In addition two dividends were received from Rustenburg Platinum Holdings Limited, consequent upon the change in its financial year. Trading profits were slightly higher, the decline in Anglo American Coal Corporation Limited's profits being largely offset by increased earnings from Anglo American Properties Limited. The increase in costs of prospecting reflects the higher level of expenditure on gold during the current financial year. The share of retained profits of associates is lower than last year and includes the Corporation's share, both direct and via its associate, of the losses being incurred by Sigma Motor Corporation (Pty.) Limited.

For and on behalf of the Board G. W. H. Reliy | Directors Directors

J. Ogilvie Thompson DIVIDEND NO. 95 ON THE ORDINARY SHARES

On November 24 1983 an interim dividend (No. 85) of 35 cents per share in respect of the year ending March 31 1984 was declared payable on January 13 1984 to ordinary shareholders registered in the books of the Corporation at the close of business on December 9 1983 and to persons presenting coupon No. 100 detached from share warrants to bearer. A notice regarding payment of this dividend to holders of share warrants to bearer will be published in the Press by the London Secretary on or about December 2 1983.

The ordinary share transfer registers and the ordinary section of the register of members will be closed from December 10 to 23 1983, both days inclusive, and warrants will be posted from the Johannesburg and the United Kingdom offices of the transfer secretaries on or about January 12 1984. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on December 12 1983 of the rand value of their dividends (less appropriate taxes). Any such shareholder may, however, elect to be paid in South African currency, provided that the request is received at the officer of the Corporation's transfer secretaries to Lebengrehous as in the United offices of the Corporation's transfer secretaries in Johannesburg or in the United Kingdom on or before December 9 1983.

The effective rate of non-resident shareholders' tax is 13.6137 per cent. The dividend is payable subject to conditions which can be inspected at the Head and

London offices of the Corporation and at the offices of the Corporation's transfer secretaries, Consolidated Share Registrars Limited, 1st Floor, Edura, 40 Commissioner Street, Johannesburg 2001 (P.O. Box 61051, Marshalltown 2107) and Charter Consulidated P.L.C., P.O. Box 102, Charter House, Park Street, Ashford, Kent TN24 8EQ.

By order of the heard

Head Office: 44 Main Street Johannesburg 2001 November 25 1983

C. L. MALTBY Secretary London Office: 40 Holborn Viaduct London ECIP IAJ

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Westpac buys control of bullion dealer

By Michael Thompson-Noel

WESTPAC Banking Corporation. Australia's biggest private trading bank, has acquired a 75 per cent interest in the Sydney-based bullion dealer, Mase Metals, which will be known as Mase-Westpac.

Mr Bob White, Westpac's chief general manager, said the A\$5.25m (U.S.\$4.8m) acquisi-tion was a natural extension of Westpac's involvement in foreign exchange and money markets, and claimed it would enable the bank to participate in "Australia's development as a major bullion dealing centre."

Mr Warren Magi, who holds part of the remaining 25 per cent of Mase-Westpac and will be its managing director, said Westpac's backing should enable the new concern to join the top "two dozen" world the top "two bullion houses.

He said Eastern Australia was in a time zone which allowed trading to start when New York was just finishing, and finish when London was

• The Australian Government last night announced a Treasury last night announced a Treasury bond tender of A\$1.2bn (U.S.\$1.1bn), its last for the year, taking total 1983-84 bond raisings to A\$6.1bn. Australian savings bonds have brought in a further A\$1.2bn. The latest tender offers interest raises of 0.5 necessity of 1 necessity. 0.5 per cent to 1 per cent lower than the previous tender last

Rates ranged from 11.5 per cent (12.5 per cent at the previous offer) to 13.5 per cent (14 per cent previously). Another tender is expected

Profits fall at Metal Box South Africa

By Our Johannesburg

LOWER beverage can volume sales and continuing losses by a copying paper subsidiary combined to reduce the profits of Metal Box South Africa in the six months ended Septem-

Although turnover rose by 7.8 per cent, to R249.5m (\$207.9m) from R231.4m during the six months, operating profit before interest and tax fell by 8.9 per cent, to R15.5m from R17m. In the year to March 31, 1983 turnover was R492.7m and operating profit was R43.5m.

Metal Box is finalising the merger of its operations with the packaging interests of the Barlow Rand subsidiary, Nam-pak. The merger, which broadens Metal Box's spread of packaging interests, also reduced the interest of Metal Box UK in South Africa. It has retained a 25 per cent interest in the enlarged Metal Box South Africa, but repatriated to Britain R67m in cash as part of

A dividend of 17 cents has been declared from earnings of 27 cents during the six months. The corresponding period of 1982 resulted in first-half earnings of 30 cents a share and an interim Jividend of 17 cents.

U.S. QUARTERLIES

DOME CANADA

1	Hevenue	44.5	40.0
	Net profits	11.Sm 0.13	13.9m 0.16
	Net per share, (time months	6.13	6.10
	Parente Browns	96.8m	79.9m
	Revenue	20.1m	42.9m
	Net per stare	8.34	0.49
ı	Mar hor over		0.43
1	OLOBAL NATURAL RI		
1	GLOBAL MATURIAL H	LOQUAÇE:	<u> </u>
1	Third quarter	1983	1982
ı	time descen	1505	1902
ı	Revenue	12.88m	4.54m
1	Net profits	10.56m	111.41m
ı	Net per share	10.02	10.51
1	Nine months	,	
1	Revenue	36.99m	29.66m
	Net profits	1.42m	114.05m
1	Net per share	0.06	10.65
1	† Loss		
1			
	HOUSTON INDUSTRIE	-9	
		<u> </u>	
Į	Fourth quarter	1952-63 1	981-82
Į		5	3
ı	Revenue	1.15bn	1.12bn
1	Net profits	131,43m	115.55m
	Net per share	1.50	1.46
	Year		
1	Revenue	3.94bn	3,77bn
1	NOT DIDUCT	127.01m	289.36m
	Net per share	1.52	3.75
ı			
	QUTŞÇARD MARINE		
1			
1	Fourth quarter	1982-83 1	
ı		\$	
1	Revenue	215.2m	201.2m
ı	Net profits	9.49m	6.25m
J	Net per share	1,08	0.73
ı	Year		
Į	Revenue	788.5m	778m
1	Net profits	39.27m	33.86m
	Not per share	4.51	4.03
-		4.51	
	TORONTO SUN PUBLI	4.51	
	TORONTO SUN PUBLI	4.51 \$HHNQ	4.03
	TORONTO SUN PUBLI	4.51	4.03
	TORONTO SUN PUBLI Secend quarter	4.51 \$HING 1983-84	4.03
	TORONTO SUN PUBLI Second quarter	4.51 SHING 1983-84 : 30.5m	4.03 982-83 \$ 27.5m
	TORONTO SUN PUBLI Second quarter Revenue	4.51 5HING 1983-84 : 3 30.5m 2.06m	4.03 982-83 \$ 27.5m 1.65m
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	TORONTO SUN PUBLI Second quarter Revenue Not profits Not per share. Six months	4.51 SHING 1983-84 9 30.5m 2.96m 0.25	4.03 982-83 \$ 27.5m 1.65m
	TORONTO SUN PUBLI Second quarter Revenue Not profits Not per stare Six months Revenue Not profits	4.51 5HING 1983-84 : 3 30.5m 2.06m	4.03 98.2-83 \$ 27.6m 1.65m 0.20
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	TORONTO SUN PUBLI Second quarter Revenue Not profits Not per share. Six months Revenue Not profits Not per share ZAYRE Third quarter Revenue Not profits Not per share.	4.51 SHING 1983-84 30.5m 2.06m 0.25 53.4m 4.06m 0.49 1983 8 659.6m	4.03 982-83 \$ 27.66: 0.20 55.1m 0.29 1982-3 \$55.8m
	TORONTO SUN PUBLI Second quarter Revenue Not profits Not per stare Six months Revenue Het profits Not per stare ZAYRE Third quarter Revenue Not profits Not per stare Het profits Not per stare	4.51 1983-84 30.5m 2.06m 0.25 59.4m 4.06m 0.49 1983 3 659.6m 17.55m 1.02	4.03 1982-83 8 27.5st 1.65st 0.20 55.1m 0.29 1982 3 555.8m 11.79m 0.76
	TORONTO SUN PUBLI Secend quarter Revenue Net profits Not per share Siz mendits Revenue Net profits Het profits Het profits Net profits Net por share ZAYRE Third quarter Revenue Net profits Net profits Net profits Net profits Revenue	4.51 \$HING 1983-84 30.5m 2.06m 0.25 \$9.4m 4.06m 0.49 1983 \$ 655.8m 17.55m 1.02 1.78bm	4.03 982-83 \$ 27.5a 1.65a 0.29 55.1a 0.23 1982 3 555.5a 11.79a 0.76
	TORONTO SUN PUBLI Second quarter Revenue Not profits Not per share. Six months Revenue Het profits Net per share. ZAYRE Third quarter Revenue Not profits Not per share. Men months Revenue Men months Revenue Men months Revenue Not profits Not per share. Men months Revenue Not profits	4.51 1983-84: 30.5m 2.05m 0.25 59.4m 4.05m 6.49 1983 8 658.6m 17.55m 1.02 1.75bn 33.12m	4.03 1982-83 5 27.5m 1.65m 0.29 55.1m 0.29 1982 3 555.5m 11.77m 1.475m 16.38m
	TORONTO SUN PUBLI Secend quarter Revenue Net profits Not per share Siz mendits Revenue Net profits Het profits Het profits Net profits Net por share ZAYRE Third quarter Revenue Net profits Net profits Net profits Net profits Revenue	4.51 \$HING 1983-84 30.5m 2.06m 0.25 \$9.4m 4.06m 0.49 1983 \$ 655.8m 17.55m 1.02 1.78bm	4.03 982-83 \$ 27.5a 1.65a 0.29 55.1a 0.23 1982 3 555.5a 11.79a 0.76

Chilling lesson for UAE bankers

been long expected that not only this bank, but perhaps several others would face difficulties in complying with the recent central bank regulations concerning loans to directors.

The origins of the current problems in the UAE banking sector go back to the midseventies when the Currency Board, the forerunner to the central bank, harboured ambitions for the country becoming a regional financial centre. Foreign bankers eagerly took up the invitation to enter the world's fastest growing market, and for the local merchants, it became almost

The net result of this bank licensing frenzy is a country of 1.25m people with 51 banks. Of the 23 local banks, more than half are effectively owned by more than 5 per cent of their "We have long advised the one merchant family, members capital and reserves to families to be more conservaof the ruling families or even single individuals.

Even in the boom days which local businessmen now remem-

fashionable to set up one's own

ber with nostalgia, competition among the banks was heated. Now, with a downturn in trad-Many of the family banks were established by merchants and their associates to fund property development and construction

activities.

The family dominated banks are not the only ones to have measures against their custo-suffered. Many of the late mers, they argued. entrants to the banking scene found themselves dealing with found themselves dealing with banks that concern focused, the tail end of the loan market and paying over the market tutions. A number of the larger rates for customer deposits. local and foreign banks in the

THE EVENTS which have There is still a difference of UAE say they have unofficial each of the seven emirates of shaken Union Bank of the up to 3 per cent between the lists of banks with which they the Federation has its own Middle East in the last week interest rate paid on customer would, diplomatically, decline national bank, even Umm Al

The central bank expressed concern over the low capitalisation of many of the new and family banks, and their ability to weather the storms generated by sluggish trading conditions. It acted by setting a minimum of \$10.8m as a capital base and by requiring banks to lend no

have come as no surprise to deposits by well established to do business. As one Bahrain-local bankers and traders in banks and those paid by banks

Dubai and the Emirates. It had fighting for funds.

The fighting for funds to do business. As one Bahrain-based banker commented: "You don't know whether you're don't know whether you're doing business with the bank or

the man." Mr Ahmed al Tayer, UAE Minister of State for Financial Affairs, says that the Union Bank of the Middle East was the only bank which could not comply with the central bank's regulations on directors' loans.

The problems of Union Bank of the Middle East and its former chairman, Mr Abdul Wahab Galadari, have arisen both from recession and a change in policy on the part of the authorities. As a result, the independence of the merchant community appears threatened, Kathy Evans reports from Dubai

But in the past 18 months, the situation has been exacerbated by delays in payments from the Federal Government. Many local contractors have looked to their banks for assistance during this time, and this is ing and cuts in government during this time, and this is expenditure, it has become a adding considerably to the time of nervous finger pointing. strain placed on the banking sector generally. This problem was the subject of a recent conference held by the Federal Chamber of Commerce with repactivities generated during the resentatives of all the banks, boom. Now, with the recession, The merchants requested the they have had difficulties in banks to be more patient in diversifying away from those their demands on local companies; too many were resorting to legal action and other penal

But it was around the family

ever, a long-term policy of cut-ting the number of banks in the country back to such num-bers as exist in Saudi Arabia and Kuwait, where the banking system is dominated by a small number of very solid local to eight or 10.

larger units to take them over. Cutting the number by half will be a very difficult task, given the individualistic nature of the merchant community.

tive, and they have all corrected their positions concerning their banks," he said.

The Government has, how-

banks. Restrictions have already One chilling lesson which been placed on foreign banks as might convince the local merregards branches, and now, Mr chants of the benefits of mergers al Tayer says, he wants to see is the current situation of Mr the number of local banks cut to eight or 10.

The central bank has long been encouraging small local banks to merge, or for the An additional problem is that munity.

Quiwain, whose population is only 12,000. Getting the rulers to agree to merge their national banks with those of other emirates will be virtually impossible. Thus, if the central bank and the UAE Government are to succeed in cutting the number of local banks back to 10, then the privately-owned banks will have to be cut to a fraction of their present Mr al Tayer says that despite

the lack of success so far in per-suading the merchants to merge their banks, the Government is still hoping not to have to force them. "We first want to sell them the idea, point out how much stronger they will be as regards capital, reserves and how much they will save in management costs." Nevertheless, if such tactics do not work, the Government appears willing to adopt more forceful

"Times are changing, we hope the merchants will not stick to their old attitudes. We want to see some jumbo-sized banks and we will give them time to absorb the idea." Mr al Tayer declared Ultimately, he wants to see local banks quoted on the proposed new stock exchange, thus spreading and diluting ownership away from the families even further.

of the Middle East. He has had all his local assets put under attachment by the new board of directors. The move marks the first direct intervention of the Government into merchant affairs, and that will certainly not go unnoticed among mem-bers of the local business com-

Mitsubishi and Mitsui hit by recession

BY YOKO SHIBATA IN TOKYO

TWO of Japan's largest trading systems, or service areas such were also 5.5 per cent lower, at year unconsolidated sales fell by houses, Mitsubishi Corporation and Mitsui and Co., experienced falls in both sales and earnings in the first half ended September 30

Japanese trading houses have all been affected by recession because they are heavily dependent on transactions in basic materials such as iron and steel, petrochemicals, non-ferrous metals, grains and oils—all of which were depressed. Their oversess expansion was also somewhat confined during the past half year, owing to the credit crisis in Latin America

and Eastern Europe. As a result, the trading houses or placing more emphasis on intermediary trade or trade in technologically advanced goods, such as bio-technologies and information

In view of slower business activities, particularly in the home market, the trading houses are carrying out rationalisation measures, such as sharply reducing borrowings. Mitsubishi Corporation, Japan's largest general trading Corporation,

house, saw its parent company tunover fall by 2.5 per cent to Y7,190bn (US\$30.5bn). Pre-tax profits rose by 8 per cent to Y19.86bn but net profits fell by 9 per cent to Y9.54bn.

9 per cent to Y9.54bn. vious year's level, to reach y42.9bn and Y18.2bn respectively. Sales of Y14,700bn, demand, down by 4.9 per cent of year's level, are forecast. turnover. Export t

as leasing and factoring. Howas leasing and factoring. However, these areas will take a
long time before they begin to
contribute significantly to
earnings.

In view of slower business

were also 3.3 per cent tower, at year inconsintated sales fell by
18.2 per cent of the total, hit
4.2 per cent to Y6,798bn. Pre-tax
bard by lower exports of plant profits tumbled by 59.3 per cent
and steel products. Imports to Y13.7bn and net profits were
accounting for 34.3 per cent of down sharply by 27.5 per cent
the total, fell by 2.5 per cent,
to Y5.06bn. Intermediary trade, or off-

> account for 10.7 per cent of turnover. wall as a general upturn in the domestic economy. For the year both pre-tax and not wall as a general upturn in the domestic economy. For the year both pre-tax and net profits are expected to recover to the pre-

Its sales of steel fell by 20 per shore transactions, alone fared cent to account for 15.4 per cent well, up by 13.6 per cent to of the total. Sales in the machinery sector dropped by turnover.

16 per cent to account for 15.7

In the current half year, ending March 1984, Mitsubishi expects recoveries in demand for
ever, sales in the oil and gas
non-ferrous metals and foods, as

ending March 1984, a strong recovery in demand for steel is not expected but higher transactions in oil, chemical goods and foods are. Mitsui's full year sales are projected at Y13,800bn, down by 2.5 per cent

This advertisement complies with the requirements of the Council of The Stock Exchange in London

CITICORP OVERSEAS FINANCE CORPORATION N.V.

(Incorporated with limited liability in the Netherlands Antilles)

U.S. \$100,000,000

 $11\frac{1}{2}$ per cent. Guaranteed Notes due December 1, 1988 Unconditionally guaranteed by

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Issue Price 100 per cent.

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The Notes of \$5,000 each constituting the above issue have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the Notes.

Interest will be payable annually in arrears on December 1, commencing December 1, 1984. Particulars of the Notes are available in the statistical services of Extel Statistical Services Limited and may be obtained during usual business hours up to and including December 9, 1983 from the brokers to the issue:

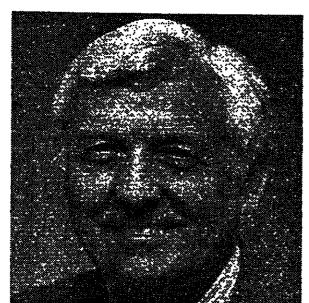
> Cazenove & Co., 12 Tokenhouse Yard



ALLEGHENY INTERNATIONAL INCORPORATED,

the Chairman Mr. Robert J. Buckley, and all its people around the world extend their congratulations to Graviner and Pains Wessex

on the occasion of their 50th Anniversary, and are proud to be associated with these leading technology businesses.



Mr. Christopher Lewinton

Christopher Lewinton, Chairman of Allegheny International's International Group and Executive Vice President of the parent company had this message for Sir Ronald Ellis, the Chairman of both companies.

A message from Sir Ronald Ellis

To be Chairman of two years standing of two companies that have been active in their fields for over fifty years brings home the contributions made by so many people to enterprises of this kind.

Despite industrial development and enormoustechnological change over the last fifty years both Graviner and Pains Wessex have succeeded in keeping ahead of the game. Their products are not only known the world over but they are recognised as leaders in research and development in their particular fields.

Our major operation for the future is to grow these companies substantially in both size and ability.

The demands for absolute safety are today greater than they have ever been and some of the challenges which face both companies will produce in them new ideas, new devices and new technologies which will maintain them in their present position as world leaders in their fields.



PAINS-WESSEX



Sir Ronald Ellis

Fifty years of fire protection and safety

FIRE IS ONE of man's greatest of technology across a wide hazards so that high-speed Pains-Wessex of High Post, blessings, giving the warmth and tries, both civil and military, initiated. Of equal significance, multi-million pound internalight that is necessary for life itself. But it is also one of his explosion greatest hazards, with a destruc-dramatically. tive capability second to none if allowed to get out of control. improving methods not only of Since man first began to use suppression once fire and/or it is in this broad area that in Pittsburgh. Allegheny's fire, he has been obliged also to learn how to control it. With also, more significantly, of fifteth anniversaries this year, \$3 billions. The Industrial

tries, both civil and military, the potential hazards of fire and have increased

This in turn is generating a

however, is the ability to use fire and explosion under controlled conditions so as to employ them in a wide variety of ways for the benefit of man-kind, such as illumination and

tearn how to control it. With also, more significantly, of fiftieth anniversaries this year, \$3 billions. The Industrial today's rapidly accelerating pace detecting the imminence of such Graviner of Colnbrook and Group, including Graviner and

tional businesses that are con-stantly growing today. Both companies are part of the International Industrial

Group of the U.S. industrial and consumer product conglomerate, Allegheny International, based

close to \$50 millions annually, technolog of which close to 60 per cent is market. in exports. Graviner and Pains-Wessex, in addition to their own expertise, can draw on that of

can craw on that of pression of fire and/or other companies involved in explosion, Pains-Wesser is safety and protection in the Allegheny International Group.

These include Deugra in illumination and signalling aids, rocket line-throwers, distress include the pression of fire and/or explosion, Pains-Wesser is primarily a specialist in the protection business, supplying illumination and signalling aids, rocket line-throwers, distress signals and coloured smoke for tion, both in the U.S., where they help to spread the while it is also active

Pains-Wessex, has a turnover of Graviner and Pains-Wessex across a wide range of other and Pains-Wessex in the close to \$50 millions annually, technology in that very large products in which fire and Allegheny International Group. While Graviner is explosion can be employed in primarily a controlled manner for many prevention, detection and supand/or

GRAVIA

Both Graviner and Pains-Wessex each employ about 500 in their fields. Many thousands of lives and many millions of pounds of capital equipment have been saved as a result of

It is fair to claim that both companies are unique in the world in both the extent of their knowledge of the their knowledge of the chemistry physics and tech-nology of combustion, and the products.

strate the wide range of the Graviner and Pains-Wessex

pany was founded on November 29, 1933, with an issued capital of £1,000, by Anders Mathisen, a Darrish engineer who had set up his own patents agency, and a retired Indian Naval Captain, Hubert MacKenzie Salmond.

Their aim was to produce and market a gravity intertia switch. invented by Salmond, and aimed at preventing fires in motor cars by closing off electrical contacts so as to isolate the ignition and lighting circuits in the event of crash. Salmond had thought up the idea following the loss of a friend who had burned to death in a car accident. Mathisen first met Salmond when the latter wanted his product patented. They worked on the idea together, and their enthusiasm for the commercial prospects it offered led them to form their company

The name "Graviner" was derived from the first four letters of the words "gravity" and "inertia", and it quickly became the company's Registered Trade Mark, still in use

world-wide today.
The ensuing years were highly active. The gravity inertia switch for cars did not do well, because motorists did not believe that crashes and fires believe that crashes and fires would happen to them! But Mathisen was undarunted, and turned his attention to the possibilities of aviation.

The company had been formed barely a few years prior to the Second World War, with rearmament becoming a major factor, and through the middle

factor, and through the middle to late 1930s, Mathisen and his team worked hard to adapt the Graviner gravity inertia switch into a complete fire suppression system including a flame-sensitive switch and an extinguisher, with a view to its acceptance by the Air Ministry for military aircraft. That target they ultimately achieved against fierce competition, prior to the outbreak of war.

It was during this period also that the subsequent long-standing relationship between Graviner and the Wilkinson Sword Company was forged. Wilkinson Sword in the very early days agreed to market the Graviner switch, and later when the first Air Ministry order came, the company also agreed to make that equipment. From relationship that has lasted ever

company's business philosophy of meticulous attention to detail and service to the customer that

and service to the customer that prevalls to this day.

As a result of its continuous and close studies into the technology of combustion, Graviner has developed a massive volume of experience in the research, design, development, testing and manufactures of a wide range of overheat fire and explosion. overheat, fire and explosion prevention, detection and sup-pression systems that are widely used in more than 50 countries used in more than 50 countries on road vehicles, armoured fighting vehicles, on rail-carriages, in ships, in commer-cial and military aircraft, in guided weapons and in indus-trial plants and complexes of all kinds, including North Sea

The company's export capa-

the aerospace industry began to recover from the constraints of war-time production and the immediate post-war slump in its activities. But as the aerospace industry broadened its own horizons, especially into civil markets, Graviner moved with it. Britain led the world in jet engine design, and it had also a wide range of gas-turbine powered civil and military air-

craft programmes. Rolls-Royce, one of the world's greatest engine manufacturers, began to export gas-turbine engines in the post-war field to many countries, and close collaboration with that company ensured that Graviner was the natural first choice for fire protection in the jet age — a situation that gave the company the entry to many of the

Gravity Inertia Switch

LIKE MANY of Britain's through the Second World War major industrial companies, and the subsequent years of in the post-war period. Graviner was conceived from a even greater expansion into had almost no direct exports Deugra (Deutsche Graviner) was founded in 1958, housed in The West German subsidiary, Deugra (Deutsche Graviner) was founded in 1958, housed in temporary building on Dusseldorf Aerodrome. From this base a business in fire protection for aircraft, and more for aircraft, and more particularly fighting vehicles was built up. This year sees the 25th Anniversary of this Company, which, in its own right, is a leader in fire explosion detection and suppression for aircraft, fighting vehicles, marine and industrial explosion protection systems.

It was particularly to introduce Graviner technology to the U.S. market that Allegheny International acquired the U.S. company, HTL Industries, some time ago. HTL has a very similar profile to Graviner, with a turn-over of around \$30m a year, and the two companies work

very closely together.
Graviner's systems fully meet the stringent requirements of the major safety authorities in the world, including the UK Civil Aviation Authority, the U.S. Federal Aviation Adminis-tration and many military

authorities.
Just as the Graviner systems have an unrivalled reputation throughout the world, so also does the company's product support capability. This involves support capability. This involves maintenance, servicing, technical back-up training and many kinds of co-operation with system users. All are essential for both everyday efficiency and continued innovation in the detection and suppression of fire, overheat and explosion hazards of all kinds.

Research is one of the most important single reasons for Graviner's leadership across the wide spectrum of this vital field

wide spectrum of this vital field of activity. A team of highly qualified engineers and scien-tists is dedicated to investigating the causes and finding solutions to the problems of fire, explosion and overheat wherever they may occur.

As new materials and tech-niques are developed by manufacturing industry, and employed in an ever widening range of uses, they bring new hazards and so the need expands for new knowledge on fire, overheat and explosion detection and suppression. The process of learning never ends. Graviner has unique experience in assessing the hazards and devising the solutions to these new problems as they arise, with a wide range computer and experimental facilities at its main plant at Colnbrook.

The result is leadership in the field of fire and explosion safety, and the provision of the safest. most reliable products for civil and military industrial fire and explosion prevention, detection



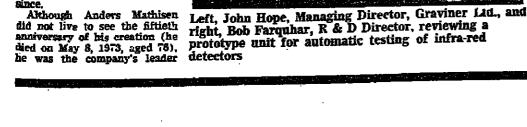
50 years of fire detection and suppression

In November 1933 Anders Mathisen established a company to market a device which would isolate the ignition and lighting circuits of a vehicle in the event of a crash - the device was called a GRAVity INERtia switch, from this came the name of a company which today leads the world in the technology of Fire & Explosion Detection and Suppression, that company is GRAVINER.

Wherever there is a need to protect people, Graviner equipment will be found. In the air with detection and suppression systems for civil and military aircraft. On the sea with diesel

engine monitoring equipment and on land where Graviner systems protect 'high risk high value' plant and equipment and civil and military vehicles of all types.

protecting people for 50 years Graviner Ltd Poyle Road Colnbrook SL3 0HB Tel (02813) 3245 Telex: 848124 Graviant, a member of the International Industrial Group of All Allegnerry International



A wide range of aviation systems

THE growing world aviation the Anglo-West German-Italian either alarm or fire extinguish devices and discharge indimarket was the first to attract Tornado multi-role combat air. the attention of Graviner's craft, the European Airbus, the Also within the Graviner range of impact and inertia the attention of Graviner's craft, the European Airbus, the founder, Anders Mathisen, in the early 1930s, when it became clear that the Graviner gravity inertia switch for cars was not likely to make the company's fortunes. Mathisen worked hard to adapt the system he and Salmond had developed for motor cars for use in aeroplanes, and success came before the Second World War, with a small Air Ministry order for testing purposes. From that small start, Graviner has subsequently developed what is now the major part of its business, the provision of fire and overheat detection and suppression systems for civil and military aircraft.

Probably the most famous of the various systems manufac-tured is the FIREWIRE, a light-weight, strong but flexible element with electrical proper-ties that continually monitors temperature changes and signals warnings to a master control unit whenever a pre-determined "safe" temperature is exceeded.

The system can thus function without constant reference by the pilot of the aircraft, thereby ensuring a minimal work-load while providing reliable fire or ture and vibration conditions and markets a comprehensive tech overheat detection. Many which enables them to be British and foreign built civil located in highly sensitive areas guishers and accessories which suitand military aircraft are equiportation of civil and military aircraft. Include directional flow valve, civil ped with FIREWIRE, including They can be used to trigger spray nozzles, pressure relieftypes,

Gas detector

Graviner manufactures a wide range of additional aviation products, including the Discrete Continuous Detector, which can detect leaks of hot gases from the various ducts which are an integral part of all modern passenger carrying aircraft. This system provides an overheat warning whenever the temperature reaches a pre-determined level, thereby ensuring that structural weakening or damage to the duct is not a costly or even hazardous result of any gas leak.

The Graviner range of High Soak Resetting Fire and Over-heat Detector Switches (HSRS) can withstand extreme tempera-

Detector, which started life as tection equipment and other an attempt to meet U.S. NASA emergency systems when requirements. This has an ultrarequirements. This has an ultra-riolet sensor which can detect radiation in the range of 200 to 265 nanometers. Operating within this range means that the system can differentiate the radiation of wavelengths pre-sent in flame from other sources of radiation, such as sunlight, artificial lighting, strobe lights and hot surfaces.

These sensors have a hemi-spherical field of vision, and can detect fiames at distances of up to 20 metres. They can detect all types of fire, including those involving titanium, magnesium, kerosene, petrol, hydrogen and methane.

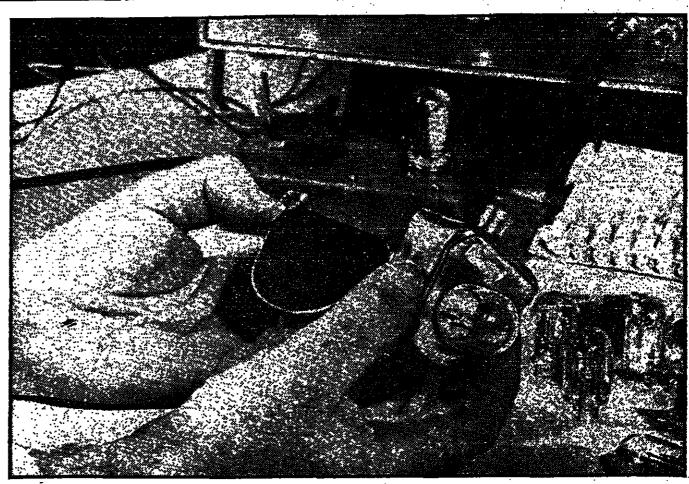
Accessories

Graviner also manufactures

Also within the Graviner range of impact and inertia range is the world's most operated switches for mounting advanced Ultra-Violet Flame on aircraft to actuate fire pro-

Survivability

Also, by drawing on its experience, Graviner offers combat survivability systems which are suitable for application on both fixed wing and rotary winged aircraft and which can substantially reduce aircraft losses in combat result. which can substantially reduce aircraft losses in combat resulting from "dry bay fires"—that is, fires which occur in the area between a fuel tank and the aircraft's skin. Also available is a wide range of other suppression techniques, including conventional pressurised Halon suppressors, detonator-driven non-pressurised Halon suppressors, and propellant driven powder suppressors. Each technique has a role in different parts of an aircraft and is thus parts of an aircraft and is thus suitable for a wide range of civil and military aircraft



Lightweight ultra-flame detector

Explosion protection in industry

GASES AND DUSTS can be potential killers. Industries which handle flammable liquids, explosive gases or combustible dusts are required by law to prevent or restrict the propaga-tion of explosions in factories or other industrial plants. Many everyday materials can be highly flammable and can form explosive dust clouds—such as metal particles, grain, sugar, starch, coffee and many other normally harmless products.

In fact, any material that can burn can provide an explosion sick if the level of concentra-

burn can provide an explosion risk if the level of concentration is high enough. Moreover, a primary explosion, even in a small component, can often lead to a catastrophic secondary explosion within the factory complex involved. There have been over 4,000 industrial explosions in Europe alone over the past few years many of which been over 4,000 industrial explosions in Europe alone over the past few years, many of which might have been avoidable.

Rapid response

For many years Graviner has consistently pioneered in the field of industrial expission are now installed in many hindreds of factories throughout a wide range of industrial saving lives, plant and profits. It is a fact that, wherever finistalled against a defined hazard, Graviner systems are now installed against a defined hazard. Graviner systems are now for years, swing lives, plant and profits. It is a fact that, wherever failed, many hindreds of plants have never failed. Many hundreds of plants have never failed. Many hundreds of plants have never failed. The Graviner system and experience of the nolly costs involved are for the replacement or recondition protection. Graviner systems have found widespread application in many the required to function. Once installed, only routine inspection is necessary.

The Graviner failed. Many hundreds of plants have never failed. Many hundreds of plants have been saved by these systems, some of them more than once.

The Graviner system of plants that once.

The Graviner system of plants that once.

The Graviner system of the problems and activate the proteover, the suppressed explosion to perate closer to the only costs involved are for the only costs involved are for the replacement or recondition.

After a suppressed explosion the one passes will engage that number of research and experience of the case.

Graviner systems have found widespread application in many types of industrial plant, from actions and character, through finure, and in 1964, the British Shipbuilding Research Association which is microprocessor hased.

The graviner system of the problems are now installed, only the passes world-wide.

After a suppressed explosions for the only costs involved are for call on land are expelled on land are expelled

sion and activate the protec-tion equipment. Moreover, the system, once installed, can be passive for a long period, per-haps even for years, whilst remaining capable of respond-ing in milliseconds on the one

commonly supposed that an explosion is instantaneous, there is in fact a measurable time between the build up of pressure to a destructive level and the actual ignition. The Graviner system uses this time to detect the incipient explosion and activate the protection equipment. Moreover, the system, which comprises a achieved. Furthermore, the components protected by Graviner systems need not be units, is that not only does it eliminate the consequences of a serious explosion but also, because of the by-product of the high level of safety and activate the protection equipment. Moreover, the protected by Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the high level of safety and activate the protected by Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the high level of safety and activate the protected by Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the high level of safety and activate the protected by Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the high level of safety and verting Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the safety and verting Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the safety and verting Graviner systems need not be eliminate the consequences of a serious explosion but also, because of the by-product of the safety and verting Graviner systems need not be designed to withstand the full force of an explosion.

Increasing safety at sea

property. The detection of fire aboard ship is therefore an important consideration for the crew, for the shipowners, and for cargo shippers and insurers. The various Graviner systems

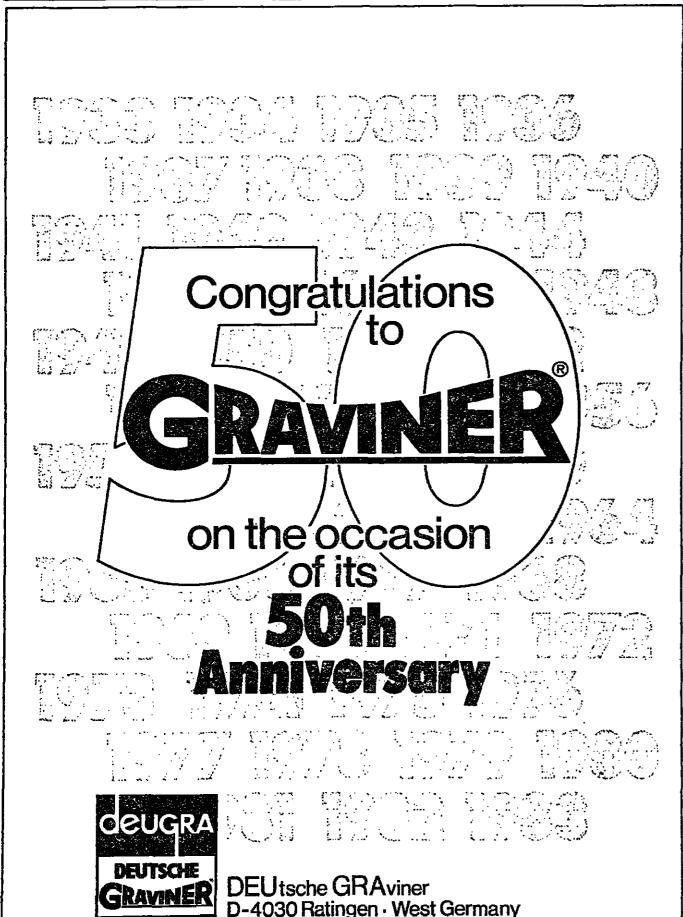
that today more than 80 per cent of all diesel-engined ships of over 2,000 tonnes are fitted with this type of equipment, involving many thousands of vessels world-wide.

FIRE IS as much of a hazard invited Graviner to develop and has been designed to combine aboard ships at sea as it is on produce the world's first oil very high sensitivity, with land, and potentially can be just mist detector with the result freedom from false alarms, but as destructive of life and that today more than 80 per using the sophistication that property. The detection of fire cent of all diesel-engined ships micro-electronics allows.

micro-electronics allows.

Its fast scanning system, tested over hundreds of millions of operations, ensures that each crankspace is checked in turn. Whenever a "hot spot," generating an increase in oil mist and creating a potential hazard is discovered, the alarm is given and the potential overheating can be reduced by slowing the engine speed.

engine speed.
The system can be simply installed directly onto the engine, for a low capital outlay. The investment in the equipment is a small price to pay for ensuring the safety of the vessel and its crew, and the prevention of delays, salvage claims and losses of revenues that engine damage might



Congratulations to Graviner and Pains-Wessex on the occasion of their fiftieth anniversary

Wilkinson Sword's managers around the world are grateful to Graviner for helping to make air travel safer than the M4

GRAVINER

and

Sister companies of

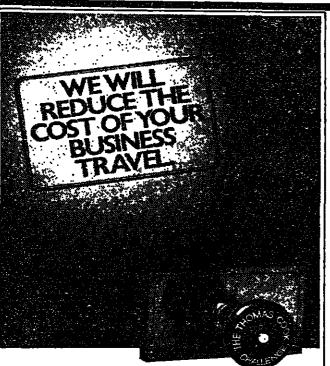
Protection on the battlefield

ANY MODERN battlefield is by definition an unpleasant place to be. For the spearhead troops it can be particularly hazardous, given the conditions of modern warfare with the inevitably extensive use of guided weapons, such as anti-tank and anti-personnel weapons. Every-thing that can be done in advance, therefore, to reduce the undeniably high levels of risk for the forces involved, and especially those involved in tank warfare, is well worth the

wehicles, such as tanks and armoured personnel-carrying vehicles, have high-powered engines and transmission

Minimising risks

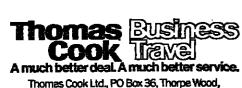
In combat, these vehicles are highly vulnerable to attack from many types of anti-armour weapons and the penetration



Congratulations Graviner. You lost.

271.27**177**

Thanks for taking up our challenge over the years and allowing us to reduce the cost of your Business Travel. We look forward to giving you the best deals over the next 50 years.



systems enclosed in small, heavily armoured compartments with restricted cooling air flows. The fuel tankage is usually adjacept to the engines and the risks of fires caused by engine and transmission overheating and fuel spillage is high.

of fuel tanks and hydraulic systems within the crew battlefield environment. The compartment compartment can lead to massive fuel explosions and fleet explosions and fires, resulting in the death or incapacitation of the crew and the destruction or immobilisation of the vehicles.

The need for systems within the crew battlefield environment. The detectors are coupled to a continuous detectors are coupled to a continuous detectors and field environment. The detectors are coupled to a continuous detectors are

tion of the vehicles.

The need for systems which provide protection against fires in engine and crew compartments is now recognised as an essential requirement for modern fighting vehicles. The cost of such vehicles is very high, and the training of crews is expensive and time

minimise the risk and ensure that the vehicles and their occupants have the best possible chances of survival in combat. Graviner military vehicle fire protection equip-ment has been specifically designed for the specialist military operating environment, and is in service on more than

fire protection is based upon the ability to detect the infra-red radiations in hydrocarbon flame

suppressors.

These deploy non-toxic concentrations of Halon 1301 within the crew compariment to suppress a fuel explosion or fire before catastrophic conditions result. The system is capable of detecting a fuel explosion or fire within two to three milli-seconds of its inception, while the high speed suppressor can discharge its Halon 1301 through a pyrotechnically oper-ated valve within 70 milli-seconds. The fire can be out within 120 milliseconds of initial

Rugged

45,000 armoured vehicles in over 35 countries.

The Graviner "Crew Bay"

The system has been designed system for fuel explosion and in such a way that it does not a way that it does not react to false alarms, while it is also designed to operate reacting to false alarms—simi- used in the Graviner control

Low volume

The company also manufac-tures point and continuous detectors for overheating and fire protection in the vehicle engine bays, including the famous FIREWIRE continuous detector system which is already widely used in civil and military aircraft, where light weight and low volume are of para-

The company's High-Soak Resetting Switch (HSRS) point detector can be pre-set during specific temperature. Overheatcausing the temperature to rise above the pre-set level, results amility to detect the intra-red is also designed to operate above the present results and processor flame under the most rugged of in a signal which is used to give the are characteristic of exploding and burning fuel, while not reacting to false alarms—simi used in the Graviner control extinguisher system.

Serving the defence industries

DEFENCE HAS rightly been groups can provide both off-the-described as "the spearhead of shelf components, or can design advanced technology," spawn-and manufacture solutions to ing techniques with wide applications in commercial as well requirements.

The Gravinar Safety and receives engineering and manufacture solutions to particular weapons systems a customer's requirements, and develop the correct solution using creative engineering and manufacture.

facturers of guided missiles, manufacturing specialist components for weapons. The company first became involved in the expanding guided weapons industry with the former de Havilland Aircraft Company (later part of Hawker Siddeley Aviation which in turn subsequently became part of British Aerospace) when it manufactured pyratechnic cable Streak rocket.

Missile systems

Much of the guided weapons activity remains classified, but today the department works closely with the Ministry of Defence's own research estab-hishments, with British Aero-space and other prime con-tractors. Its own skills are alked to those of other mem-bers of the Alleghery Interbers of the Allegheny Inter-national Group of companies. As a result, the combined pro-As a result, the comoined pro-ducts and technologies of the group have provided equipment for many major weapons systems, including the Swing-fire anti-tank missile, the British Aerospace Sea Dart ship-launched anti-aircraft and anti-ship missile and the Side. anti-ship missile and the Side-winder air-to-air missile.

requirements.

For more than 25 years
Graviner has been working safety of weapons systems through its Guided Weapons during handling, transport and bepartment with major manufacturers of guided missiles, in response to the widely vary ing requirements of the launch environment on land, sea or in the air.

using creative engineering and proven design techniques, while skilled technicians, liaising with the design and research development teams, can convert integrity before production

Pressure vessels

The company also manufac tures a wide range of high speed generators, while its long experience in fire suppression technology has been extended to a range of pressure vessels designed and manufactured to the highest levels of reliability, Allied activities include the manufacture of actuators, pressure management components and mire cure gauges.

and min the gauges.

In addition, a wide range of pyrotechnic initiators, delays, actuators and gas generators is actuators and gas generators is made for missiles and launcher sub-systems. Graviner is able to adapt this wide range of pro-ducts to suit most ordnance-related needs in military and space applications.

Solving problems

The guided weapons depart ment is more than just a manu facturer of equipment. The engineering teams, with access to wide-ranging technology ensure that Graviner can offer not just products but a unique problem-solving capability



High-speed suppressor/Infra-red detector

CHANISCHE RIBBI LOSCH

TYPE 57753 -006 Sudebodruck: 53 bar of 21 \$

Falgowore Wicks Ma ZANGECHT AMBRINGEN VENTIL NACH UNIEN WESTEMPERATUR TO E NO.

DEUGRA SALL

Davies Metal Box Limited congratulate Pains-Wessex on 50 successful years

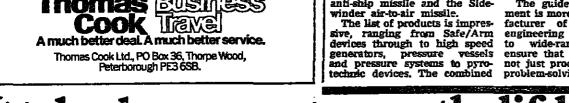
We are proud of our long association with Pains-Wessey and join with them in their celebrations.

Davies Metal Box Limited is part of a privately owned group whose combined turnover is in excess of \$25 million per year. As one of the largest suppliers of specialised timplate components in the country, we deal with all MOD and pyrotechnic factories and also supply

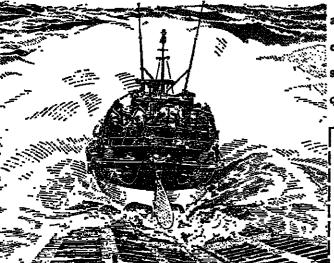
steel component parts to the trade. Presses range from 20 to 100 tons. There is a wide choice

of automatic coil feed presses and we can produce any type of pressing or assembly contract. As one of the few press shops who is constantly expanding, we have our own design team and enjoy the reputation of sustaining long term relationships with all our customers. Quality is of the utmost importance to us and our team of inspectors is continually striving to meet the high standards required by the MOD 0524 Approval, which we proudly hold.

Member of the DMA For full details write or phone Davies Metal Box Limited., 9/11 Sunbeam Road, Park Royal, London NW10 Telephone: 01 965-5323 Telex: 912477



It takes brave men to man the lifeboats. But it takes your money to run them.



All the bravery in the world won't buy a new engine or repair damaged boat.

That takes hard cash. And because the lifeboats still rely entirely on voluntary contributions the cash has to come from you. The best way to help is to join Shoreline, the lifeboat

supporters club. All we ask is your annual subscription, and you receive our narterly magazine Lifeboat

Last year we saved 1,281 lives. You helped us. Please carry on.

To: The Director, R.N.L.L. West Quay Road, Poole, Dorset BH15 1HZ. I wish to join Shoreline. Here is my subscription. Member £5 or more p.a. ☐ Family Membership £7.50 or more p.a. ☐ Member & Governor £15 or more p.a. ☐ mber & Governor £150 or more. \square (Or) I enclose a donation of £

> Institution Postcode

THE RNLI IS PLEASED TO HAVE BEEN ASSOCIATED WITH PAINS WESSEX SCHERMULY FOR OVER 50 YEARS.

Pyrotechnics technology

PYROTECHNICS is a rapidly works closely with the Kilgore developing industry. While to Corporation of the U.S., through and windproof matches. many it still has the ancient which the Pains-Wessex/Scherconnotation of "fireworks," the muly products are introduced to industry has substantially shed the big U.S. market. the long-prevailing "bucket and

pyrotechnics advanced technology industry and the Wessex Aircraft Enginin its own right, requiring eering Company of High Post. meticulous attention to safety. Pains itself was founded in reliability and performance about 1850 by James Pain, a effectiveness across a widening London gunpowder maker, range of products in which the while the Wessex Aircraft Encontrolled use of fire and gineering Company was founded explosion can be harnessed to in 1933, so that this year Painsserve mankind in innumerable Wessex is effectively celebrat-

Pains-Wessex, a member company of the International Industrial Group of Allegheny International, and an associate of Graviner, is the world's leading specialist manufacturer of high-technology pyrotechnics for a wide range of military, marine and commercial uses, along with a comprehensive range of safety equipment for merchant vessels, rescue serrices and martime leisure craft.
Pains-Wessex, based at Righ
Post, near Salisbury, Wiltshire,
manufactures under its own and the Schermuly brand names. All its marine products are designed to meet or exceed both the SOLAS) Safety of Life at Sea) Convention (1974 and 1978

Impeccable pedigree

protocols) and the requirements of national, civil and military

approval authorities.

An extensive distribution network now spans more than 50 countries, ensuring a high level of customer service and continuous stock replenishment. A highly specialised research and development team ensures that the company remains in the forefront of this rapidly developing high-technology arena, so as to meet changing market manufacturing and inspection team ensures that all Pains-Wessex/Schermuly products achieve, or exceed, the standards of performance, reliability and cludes line-throwing apparatus; with consequent subsequent service-life required by the end-red flare rockets for long-range savings in costs, whilst achiev-

The company spends over £im of its own money every year on research and development, while spending on the introduction of new capital equipment this year will approach £1m. Pains-Wessex himmhading hares introducts in the storage and search; flares; paid both to quality control, and lifebuoy markers; raft and life to packaging for transport and troduction of new capital jacket lighters, and compact storage, thereby ensuring high survival and liferaft signals. levels of product safety and approach £1m. Pains-Wessex

The Pains-Wessex pedigree in formed by the amalgamation in has 1965 of Pains, a long-established high-precision, firework company from London ing its fiftieth anniversary.

An extensive range

Both companies acquired during the 1960s by Bryant and May, the famous match manufacturer (part of what was then the British Match Corporation), which also acquired Schermuly Limited, the pyrotechnics company of Newdigate, in Surrey, in 1973. British Match was merged with the Wilkinson Sword Group in late 1973, the latter in turn eventually becoming part of the Allegheny International Group.

On the marine side, the company's extensive product line embraces equipment for com-mercial and leisure craft, and for the use of search and rescue

Pains-Wessex records show that the first Schermuly patent for a marine distress flare was granted in 1873, while the original Schermuly line-thrower was introduced in 1897. The Schermuly name, therefore, has for many years been synony-mous with safety at sea. During the Second World War, the Pains-Wessex company's predecessors developed many spe-cialised pyrotechnic devices for marine use and throughout the post-war period this range has been and is still being, exten- it to speed the overall develop-

distress signalling; smoke sig-nals for distress signalling and illuminating flares for coast line Meticulous attention is also

For military use, Pains-Wessex supplies both the UK Government and many overseas governments. The current milistick" image of "light the blue the pyrotechnics industry is tary pyrotechnic product line touch paper and retire immediations. The company was includes devices for illuminatary pyrotechnic product line tion, signalling, screening, mark-ing, decoying, search and rescue, sound signalling, and battlefield simulation and training.

A complete range of cartridges and parachute illuminating rockets is available to provide a brilliant light source for virtually all military roles. Short-range illumination is provided by hand or pistoi-fired flares, while medium-to-long range illumination of up to 1m Candela is achieved from illuminating rockets fired from launchers specifically designed for infantry, vehicle, ship or fixed-wing and rotary-winged aircraft use.

Keeping ahead

The company, in fact, pays particular attention to research and development. Apart from the high level of spending on this vital element of its activities, Pains-Wessex employs scientific and technical staff of the highest academic qualifica tions, thereby ensuring that it remains in the forefront of the ever-advancing technology of pyrotechnics. The company funds its own research pro-gramme, which ensures an in-dependence in its thinking that in turn enables it to remain ahead of customers' own demands and helps to determine requirements well in advance of its competitors.

The company is now also increasingly making use of computer-aided design and development and testing tech-niques in its overall research and development effort, which are in advance of those employed even in some Government research establishments.

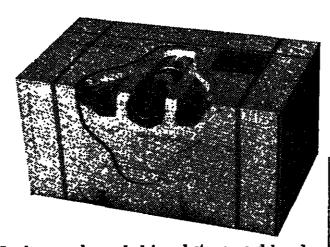
These techniques are enabling

ively widened.

Today, the marine range in- and on improving existing ones,



Miniflare, personal survival kit, consisting of a pen-sized projector and eight screw-on cartridges in a weatherproof



Smoke grenades packed in polystyrene and boxed, allowing them to be carried by passenger air freight



Buoylite 1, continuous output light for attachment to emergency lifebuoys

Advanced research

One of the most advanced areas screening device, with a number of Pains-Wessex research is in of small grenades carried aboard the development of counter-measures for use in modern required so as to form a large warfare. Two of these are of cloud of visual screening and especial interest—the develop-ment of methods for screening armoured vehicles on the battlefield against detection by enemy thermal-imaging devices, and forming this cloud create an the development of flares for effective screen that cannot be use on high-speed combat air- penetrated either visually or by craft to decoy heat-seeking

missiles.
Modern military vehicles, such as tanks, and other armoured vehicles, by their nature, have powerful engines that generate a considerable amount of heat. This has been used in the development of powerful weepons against them. Thermal imaging techniques, for example, have been evolved that can detect such vehicles via their thermal missiles.

solution to this problem. it to such an extent that the In effect, this is a multi-band aircraft can make its escape.

infra-red radiating material be-tween the vehicle and the enemy sights. The emission characteristics of the material any known thermal imaging device. A series of such small and easily handled grenades can be discharged electrically from the vehicle, so as to pro-vide a highly effective and nontoxic protective cloud, behind which the armoured vehicle can

continue with its own attack.
Today's helicopters and highspeed combat sircraft are also
vulnerable to various counterbeen evolved that can detect such vehicles via their thermal signatures at very long ranges, both by day and night, and even when the vehicle itself seeks to hide behind a dense visual screen of smoke. In this way, the vehicle becomes vulnerable to attack, and possible destruction.

To counter this, it is necessary to find ways of destroying the thermal contrast of the vehicle against its background, thereby limiting, if not eliminating, the ability of the enemy to see the target even when equipped with thermal imaging devices.

Pains-Wessex is developing what is called the Schermuly solution to this problem.

In effect, this is a multi-band



Speedline, self-contained line-throwing unit

A unique capability

The combined Graviner/Pains-Wessex activities collectively comprise the world's most advanced ability to provide fire, overheat and explosion prevention, detection and suppression techniques along with a unique range of associated pyrotechnic devices for a wide and expanding diversity of customers. At the end of 50 years of steady growth, the component parts of the International **Industrial Group of Allegheny** International are not content to stand on their achievements, but are actively exploring new markets, new techniques and new products to meet the everwidening and exacting demands of its customers, commercial and military,

Just as the earliest founders of the businesses that today collectively comprise the Group, from James Pain

through to Anders Mathisen and Hubert MacKenzie Salmond, had the courage to back their own judgments on likely future developments—although none of them could really see just how changing world events were to shape their companies—so today the International Industrial Group continues to look ahead as far as possible, studying new concepts and defining new products, to meet customer requirements that have probably not yet even emerged.

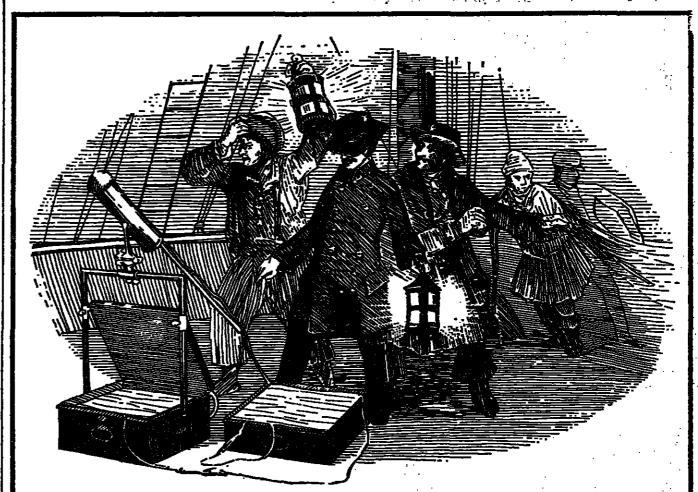
The essence of success in such a highly competitive business is always to seek to remain ahead of the market, so across a widening spectrum of advancing technological disciplines.

The total disciplines advancing to the market, so that nothing that occurs takes one by surprise. With their high concentration of talent in research. development, manufacture and customer support, Graviner and Palus-Wessex are determined to achieve that target.

Sunbeam International congratulate their sister companies Graviner & Pains Wessex, on their 50th anniversary.



Sunbeam International is a world leader in small domestic appliances including Coffee Makers, Irons, Sandwich Toasters, Grills and Multicookers.



Forward thinkers then... and now...

50 pioneering years have now elapsed since Pains-Wessex moved their pyrotechnics industry to High Post on Salisbury Plain. James Pain was the man who advertised gunpowder for sale in the year 1688, although it wasn't until 1897 that the persevering William Schermuly perfected his

now famous Rocket Line Thrower for use at sea. . . These two men with their dynamic innovations gave Pains-Wessex a head start.

The company's L commitment to a continuous research and development programme, and the use of the most up-to-date production methods

ensures their place in the forefront of pyrotechnology.

Today, Pains-Wessex is playing a leading role in marine safety and the provision of service pyrotechnics. Their latest countermeasures products provide increased protection for armed forces on land, at sea and in the air.

Progress in Pyrotechnics

Pains-Wessex Ltd., High Post, Salisbury, Wiltshire SP4 6AS, England. Telephone: (0722) 20211 Telex: 47486

Argyll on target to achieve £36.5m

with PRE-TAX profits emerging at £18.16m for the opening six months. Mr James Gulliver, chairman and chief executive of Argyll—Group formed by the recent merger of Argyll—Foods and Amalgamated a year earlier. The Distilled Products, 5ays he is confident that the full year forecast of £36.5m will be achieved. He points out that both Argyll. Foods and ADP have the half year totalled £897.51m to trade strongly and that early expectations are of a "satisfac total formed by the recent merger of Foods."

The chairman expects Argyll Foods and ADP.

The chairman expects Argyll Foods to show some further net foods to show some further net foods to show some further net form ADP.

Gulliver Associates, excluding mend a final 2.75p.

During the first six months the network for first mends a final 2.75p.

During the first six months to around 8 at 140p and perhaps for fix turnover by 16 per cent to group turnover. Its perfect contribution rose substantially.

Exponentially formed by the recent mend a final 2.75p.

During the first six months to around 8 at 140p and perhaps for the first six months for the first six months for the first six months its turnover by 16 per cent to gazing forward into fix turnover by 16 per cent to group turnover. Its profit contribution rose substantially.

Exponential forecast of £36.4m.

Mr Gulliver expects to recommend a final 2.75p.

During the first six months to around 8 at 140p and perhaps fix turnover by 18 per cent to gazing forward into fix turnover for group turnover. Its perfect contribution rose substantially.

Twelve more Presto Food Markets increased to fix turnover for formed by the recent of group turnover. Its perfect contribution rose substantially.

Twelve more Presto Food Markets increased to fix turnover for formed by the first six months for the organization of fix turnover by 18 per cent to gazing forward into fix turnover for group turnover. Its perfect contributions of group turnover. Its perfect to feather and fix turnover for the half year totalled £897.51m (£595.78m

tory. Christmas trading period.

The chairman expects Argyll
Foods to show some further net
margin improvement in the terest, amounted to fir. 195m
current half year and to see
further progress by ADP, particularly in the U.S.
The results of Argyll Group and £4.4m (£52.000 loss)
The results of Argyll Group as £175.000 loss (£131,000 loss)
The results of Argyll Group and £4.4m (£52.000 loss)
The results of Argyll Group as £175.000 loss (£131,000 loss)
The results of Argyll Group are from Argyll Group.

Other income added £211,000
The period—the merger became
£561.000 to £2.9m
effective earlier this month.
Also included were the results
of Argyll Group, formerly James dividend of 1.75p is declared—

(£542.07m)—the halance came to 20 less from some 138 Presto
trades from some 138 Presto
contributing £13.72m (£9.29m)
make good progress, producing operating profits over the half year of £4.22m from turnover of £61.54m. Barton's results were incorporated in ADP's figures for the half year—it has interests in Scotch whisky and offlicences.

Comment

Argyll will probably come closer to £40m pre-tax this year than

(£595.78m), of which Argyll confident of achieving the target reason than to create a bigger of 20 new openings a year by (£542.07m)—the halance came from ADP.

Operating profits, after interies, amounted to £17.95m (£9.11m) with the two companies (£9.11m) with the two companies contributing £13.72m (£9.29m) and £4.41m (£52.000 loss) respectively. Also included was a £175.000 loss (£131.000 loss) from Argyll Group.

Other income added £211,000 loss) (£930.000) to group pre-tax in Scotch whisky and offered for the half year—it has interests and year body as a preface t

Globe's net asset value improves to 287.24p

Globe investment Trust 25p share improved from 259.37p at March 31 to 287.24p basic at September 30 1983. At September 30 1982 the figure was 201.02p.

The six-month increase net of the

prior charges at market value was from 264.78p to 281.85p. Consolidated net assets attributable to shareholders were £470.5m against £440.9m at March 31.

March 31.

In August, the company reduced its interest in its largest holding, Mercantile House, by the sale of 3.55m shares at 725p. This realised some £25m of its initial £40m investment. Earnings attributable to share-holders at £6.95m for the first half, showed an improvement of

parable period last year.

Its present forecast for the full year is for lower growth in the second half

Earnings per share improved from 3.51p to 4.24p basic, and from 3.77p to 4.17p fully diluted. The interim dividend is raised from 3.55p to 3.75p—last year's total was 8.3p. Dividends absorb £8.14m compared with £5.81m.

with £5.81m.
The consolidated revenue The consolidated revenue account shows group pre-tax earnings of £10.91m (£9.75m). Franked investment income was £9.55m (£7.63m); unfranked investment income was £2.94m (same), and other income totalled £1.57m (£2.37m). At the end of the interim stage investments at middle market price or valuation were £485.95m compared with £460.42m at March 31. These broke down to: listed £408.33m (£382.65m); unlisted £71.68m (£68.46m); investment property £5.95m (£8.31m).

ing its dividend. The prospective yield of better than 8½ per cent at yesterday's 250p (up 4p), at yesterday's 250p (up 5p) shows the market's slightly sceptical attitude to a group which has yet to show it can come near to equalling 1980 peak profits of almost £16m before tax.

Tax cut helps Tricentrol to £16m at nine months REDUCED TAXES have enabled expected to become payable coming on stream. Tricentrol to show improved net again. Some £5.3m has been In the UK production from taxed income for the third quar reserved for in the nine months. Thistle Field in the third quar-

taxed income for the third quarter ended September 30 1983, and to pull up to £16.Im for the first nine months of the year, compared with £16.2m previously.

For the third quarter the income was almost doubled to £12.3m before taxes, but came down to £7.3m (£6.1m) after such charges.

Mainly as a result of higher depletion and interest charges, pre-tax profits fell from £35.1m to £31.3m in the nine months on revenues up to £33.8m (£78.6m).

The trend of reducing taxes will continue as Tricentrol's exploration and appraisal drilling programme gathers speed.

Opportunities available are expected to reduce Petroleum Revenue Tax in the future, but since PRT is allowable in assessing liability to corporation tax, this tax is

Midway surge by Powell Duffryn

Production Oil and Gas Production has decided to investigate alter-natives to maximise the value of the company's shares.

Among alternatives being considered are solicitation of bids for the company's issued share capital or for its underlying assets, which consist of produc-ing oil and gas properties in

The Board has decided on this course of action because it believes that shares are trading at a substantial discount to the realisable value of assets. Goldman, Sachs & Co has been kept as financial advisers

Whitbread Inv.

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popularity and advision

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Oil and Gas

Taxable profits of Whithread Taxable profits of Whithread Investment Company rose from £2.71m to £2.87m in the six months to September 30 1983.

After tax of £890,572, against £834,874, net profits came out at £2.08m, compared with £1.87m.

The net interim dividend is raised from 1.76p to 1.94p per 25p share—last year's total was 5.35p on £4.91m profits.

A £1.71m increase to £5.83m in the net belance at £4.99m the first half profit is described (£3.55m), equal to 13.7p (10.8p) as encouraging by the directors per share. The interim dividend of Powell Duffryn. They feel that is lifted from 4.7p to 5p—the previous year's total was 14.25p appoint although it is possible the rate of improvement so far may not be maintained.

The company has a 13.2 per cent investment in IBH Holding AG (Pock value at Section here)

and for £1.33m (£33,000) of trading profit.

Engineering profits were £943,000 (£375,000) and includes a "satisfactory contribution" from the newly acquired Hiller group of the U.S.

Profits from the fuel distribution rose from £1.41m to £1.87m, and the improving trend in construction services has been maintained with profits shead from £2.35m to £3.11m.

The profit was struck after interest of £3.66m (£3.8m). Tax takes £1.84m (£1.57m) to leave

Powell populate a year's result populate a year's result populate a year's result populate a year's result populate and the result of farmay not be maintained.

For the six months ended September 30 1983 group turnover came to £278.48m; compared with £285.3m and the trading profit reached £10.49m; against £8.92m, he associates accounted for £45.24m (£41.13m) of turnover and for £1.33m (£833,000) of trading profit.

Engineering profits were and (£975,000) and includes trading profit.

Engineering profits were accounted Hiller accounts at March 31 1984 as an trading profit.

Any reduction in the value of IBH investment will have no materially adverse impact on received in the value of IBH investment will have no materially adverse impact on resure facilities.

comment At least for the time being, Powell Duffryn seems to have stopped the rot in its engineer-ing division, allowing the signs

of better performance—and better housekeeping—elsewhere to show through. The rationalis-ation costs taken below the line at the last year-end do seem to be yielding some return in the engineering side as well, with some two to three hundred extra jobs eliminated and various units restructured—but caution is in order here since the net effect so far has only been to get the engineering division back to the engineering division back to the 2 per cent operating margin seen in the first half of 1982. The eventual damage to PD's balance sheet from writing off its investment in IBH could be filemto be taken in at the year end—a factor which has not inhibited the mount from marginally wish. the group from marginally rais-ing its dividend. The prospective

French Kier profits advance 16%

RECORDS have been set by government bodies in connection
French Kier Holdings with a with the Baghdad-Abu Ghraib
10 per cent advance in interim joint venture contract have conturnover to £118m against £107m tinued constructively. But he of high quality overseas continued constructively. and a 16 per cent advance in pre-tax profits to £5.65m compared with £4.85m.

Mr J. C. S. Mott, chairman. says that the value of outstanding work to be completed by the group, a civil engineer, has been

maintained at a satisfactory level, although, he adds, the division between home and overseas has moved in favour of the former.

Construction in Europe, he says, has maintained its position in the says of the former.

says, has maintained its position in terms of turnover and increased its profits, while construction overseas showed an advance in turnover with maintained profits.

Products and services in aggregate traded at a profit, and Contractors' Scaffolding and Formwork showed a markedly improved trading result.

improved trading result.

Discussions with the Iraq It looks as if French Kler has State Organisation and other seen the back of its expensive

says, it is not considered an appropriate time to revise the views which were expressed in the 1982 annual report, and a subsequent statement released to the Stock Exchange in August. Thus, the provision which was made in the 1982 group accounts remains unchanged.

by 16 per cent from 1.25p to 1.45p, and follows a rise in last year's final from 3.15p to 3.6p. Net profits for the period were £3.1m (£2.67m) after tax of £2.5m (£2.19m). There was an extraordinary credit of £100,000 (£75.000), and after deducting dividend payments of £0.69m (£0.59m) the retained surplus rose from £2.08m to £2.47m.

comment

of high quality overseas contracts—where margins have slipped slightly to 3 per cent of turnover—the group is chasing smaller refurbishment and project management contracts in the UK. Of the £300m of orders on the books, £210m are in the UK. with the rest abroad. The split was more like 50-50 a year ago. Meanwhile, cash balances have dropped by £13m since the yearend to £19m as the group has increased investment in property development. Management imincreased investment in property development. Management improvements have eliminated losses at the scaffolding company, the major feature in the products and services division's swing into £160,000 profit. A full year out-turn of £13.75m pre-tax for the group looks on the cards, which puts the shares on an undemanding multiple of 6.3, assuming a 45 per cept tax charge.

COMPANY NEWS IN BRIEF

In the year to April 30, 1983 average price of £101.04 per cent textile and clothing manufactorium and distributer, and hand of £39.5 per £100 of stock. The highest price offered was £102 flum; Hillingdon (London Borough of) £1m; Kirkaldy DC importer and distributer and hand of £39.5 per £100 of stock. The highest price offered was £101.03 Borough of) £1m; Kirkaldy DC flum; F105,000 after a second-half contribution of £51,000. This compared with a way a flot of the first six months of £32,000. This compared with a minimum price of £15m; Islwyn BC £0.5m; Leeds (City of) £2.5m; Walsall Metropolitation of £51,000. This compared with a minimum price of £100 of stock the highest price offered was £101.03 Borough of) £1m; Islwyn BC £0.5m; Leeds (City of) £2.5m; Walsall Metropolitation of £51,000. This compared with £10.03 increased from £230,000 to £328,000 for the six months to September 30, 1983, on turnover of £9.45m, compared with £7.8m.

The £10.9m rights issue by £ C Enterprise Trust has been a ken up by shareholders representing over 97 per cent of the equity.

attached — at 31p per unit for every 15 ordinary or warrants held.

equity.

The rights was of combined year's results. Last year's final units—ten new ordinary shares with one Series B warrants totalled £517,527.

with one Series B warrants attached — at 31p per unit for every 15 ordinary or warrants held.

The combined units not taken up have been sold in the market at a net price of 20.44p. The proceeds will be distributed to entitled investors except that no payment will be made for amounts less than £2.

West Kent Water company's offer for sale of £1.625m of 10.25m; Scunthorpe BC £0.25m; redeemable preference stock attracted 20 tenders with an sali Metropolitan Council £1m;

3,354,218 106,514,897 94,589,532

15,279,283

461,301,604 361,301,604

tax of £840, against £1,253, earnings per 5p share were 0.09p, compared with 0.13p.

The net asset value per £1 share of the Marine Adventure Sailing Trust rose from 98.5p to 205p in the 12 months to September 30 1983.

Total income for the year was £164.882 which compares with £99.882 for the 14 months to September 30 1982. Interest took £43,597 (£6,660), management expenses £9,770 (£6,660) and charitable donations totalled £101.173 (nil) to leave a pre-tax surplus of £10,342 (£84.303). Tax charge for the year was £2,006 charge for the year was £2,006 against £38,024.

Available earnings at Monks Investment Trust expanded from £874,000 to £917,000 for

from £874,000 to £917,000 for the six months to the end of October 1983. Net asset value per 25p share amounted to 155.6p.

At the end of last April the net value came to 142.7p.

The net interim dividend is held at 1.1p7in the last full year a total of 24p was paid.

Examings per share moved up from 1.13p to 1.18p the directors say that earnings for the full year may be a little down on last year's 2.24p partly as a result of further purchases of log-yielding Japanese equities.

* * *

After deducting prior charges

After deducting prior charges at par, the net asset value per 25p share of the Scottish Investment Trust rose by 64.4p to 270p in the 12 months to October 31 1983.

Gross franked investment income was down at 53.54m against 23.78m but gross unfranked investment income was up at £6.38m compared with £4.34m. Gross interest was £2.44m (£0.79m).

Tax absorbed £2.69m (£2.72m)

(£0.79m).

Tax absorbed £2.69m (£2.72m) giving an earnings per share value of 4.76p (4.68p). The final dividend is 3p (same) for an unchanged total of 4.7p.

Half year results

The unaudited results of the Boots group for the six months to 30th September 1983:-

•	198 Turnover	33 Profit	198 Turnover	2 Profit
Earnings per share after taxation		8.8p 5.7p	4.7p	···········
Earnings per share before taxation		<u> </u>	7.1p	
Profit retained.		38.7	21.5	
Dividend		(14.5)	(12.7)	
Profit attributable to shareholders		53.2	34.2	
 Extraordinary profit after taxation		11.8	- .	
		41.4	34.2	
Minority interests		<u>(0.5)</u>	(0.2)	
Profit after taxation.		41.9	34.4	
Taxation		(23.2)	(17.9)	
Profit on ordinary activities before taxation		65.1	52.3	+24.5
Turnover (excluding var)		824.0	748.9	+10.0
		£m	£m	Increase
		1983	1982	96

·	198	33	198	32
	Tumover £m	Profit £m	Turnover £m	Profit £m
Industrial Division.	163.8	31.0	136.9	25.8
Share of profit of related companies		33.1		1.3 27.1
Retail DivisionSurplus on disposal of properties	715.0	22.4 8.7 31.1	664.3	19.1 7.6 26.7
Interdivisional	(54.8)	0.9	(52.3)	(1.5)
	824.0	65.1	748.9	52.3

1. Turnover of the Industrial Division increased by 19.6% and profits by 22.1%. Both were helped by an excellent contribution from our subsidiary, Boots Pharmaceuticals Inc. in the US, the inclusion of 100% of Laboratorios Liade in Spain, and by a gain in the translation of foreign earnings. The Optrex business acquired in February 1983, though small in relation to the total, has performed well up to expectations.

The half year's results include improved profits from FBC, the former agrochemical associate, our investment in which was sold in September.

Retail Division turnover increased by 7.6% and profits by 16.5%. A major adverse effect was suffered on turnover and profits in the period due to the clawback of chemists' remuneration by the DHSS following a review of discounts allowed by wholesalers. The estimated total amount has been fully provided by a charge of £6m against these results.

Excluding this charge, trading profits in the UK rose by 39.3% and turnover increased by 7.7%, real growth being more than 4%

Overseas retail losses, principally in Canada, were reduced by more than 50% compared with the same period last year and are struck after deducting preopening expenses incurred in France.

3. The Taxation Charge comprises:

1983 16.9 5.8 Overseas. 0.5 Related companies..... 23.2 179

4. The Extraordinary Profit after taxation includes a profit of £11.0m arising from the sale of the Group's investment in FBC Holdings Ltd. for £60m.

Earnings Per Share calculations are based on profits after deducting minority interests and before extraordinary profits, and on average ordinary shares in issue. All figures have been adjusted for the effect of the one for one capitalisation issue in July 1983.

6. As forecast in the Directors' Report for the year ended 31st March 1983, the Directors have declared an Interim Dividend of 2.0p per share (last year as adjusted 1.75p per share) which amounts to approximately £14.5m (last year £12.7m). The dividend will be paid on 11th January 1984 to shareholders registered on 9th December 1983. 7. Referring to the Outlook for the remainder of the financial year the Chairman, Dr. P. T. Main said "Whilst we have achieved a good first half result and we expect to maintain growth in the second half, we shall be comparing our results with a more buoyant out-turn in the corresponding period last year. Much, of course, depends on the success of our

Christmas trading which has started well"

AKZO NV, Arnhem Holland

BANK RETURN

BANKING DEPARTMENT

ISSUE DEPARTMENT

2,361,491,556

11,015,100 4,035,832,080 2,423,752,870

. The Board of Management and Supervisory Council of Alzo N.V. decided to distribute for the fiscal year 1983 an interim dividend of HfL 1,-- per ordinary share of

As from 7th December, 1983 the above dividend of Hfl. 1, -- per ordinary share will be payable against surrender of coupon . Barclays Bank PLC Securities Services Department 54 Lombard Street London EC3P 3AH

Midland Bank PLC International Division rities Services Department 110-114 Cannon Street London EC4N BAA

Dividends so payable for U.K. residents will be paid less 15% withholding tax and U.K. income tax will be deducted from the

residents of other countries

For residents of countries other than the
United Kingdom with which the Netherlands
has a Double Taxation Agreement, the rate
of withholding tax (if any) will be adjusted
upon provision by the presenting authorised
depository of the completed passesses. Residents of other countries depository of the completed necessary documents (Form 92, etc.). Where no such form is submitted withholding

tax at the rate of 25% will be deducted. United Kingdom tax at the standard rate will be deducted unless claims are accompanied by the appropriate affidavit forms. information concerning any of the abovementioned documents may be obtained from Barcleys Bank PLC and Midland Bank PLC.

Arnhem, 25th November, 1983



The Boots Company PLC

The Boots Company PLC, Nottingham NG23AA

Boots expands £12.8m halfway

A SHARP RISE of £12.8m to £65.1m has been shown by the Bools Co. for the six months to the end of September 1983. Turn-over of this pharmaceuticals and consumer products group expanded from £748.9m to £824m,

The net interim dividend has been effectively lifted from 1.75p to 2p to reduce disparity in line with the prediction made at the year end and after allowing for a one-for-one scrip. In the last full year a total equivalent to

4.75p was paid.
Halftime earnings per 25p share came to 5.7p compared with an adjusted 4.7p.

the company has achieved a good first half result and expects to maintain growth in the second results with a more buoyant outrent in the corresponding period to the inclusion of 100 per cent of the turn in the corresponding period

Lex concentrates on four British companies reporting figures vesterday. Burnett and Hallamshire has turned in profits equal to half those for the comparable period, which is worse than expected even after last month's drastic revision. Tricentrol pushed out its third quarter showing lower earnings, rising debt and the absence of discoveries. On a happier note Boots interim is ahead by a quarter with good rises all round especially from the drugs manufacturing operation. Finally Lex considers the latest from Redland where the profits line is moving ahead strongly on a cyclical recovery and looks set to reach around £90m this year.

with an adjusted 4.7p.

Referring to the outlook for the remainder of the financial year, the directors say that much depends on the success of Christmas year, the directors say that while trading which they say has the company has applicated a good trading.

The last year.

The last full year profits amounted to f140.1m (f120.2m) foreign earnings. The Optrex and the directors expected profit able growth to be maintained in the current year.

The last full year profits by a gain in the translation of the DHSS following a review of discounts allowed by wholesalers. The estimated total has been fully provided by a gain in relation in relation to the total, has performed well up the total, has performed well up results.

Half year results include improved profits from FBC, the former agrochemical associate, the investment in which was reld in Santambar.

Excluding this charge, trading profits in the UK rose by 39.3 per cent and turnover increased by 7.7 per cent, real growth being more than 4 per

Overseas retail losses, principally in Canada, were reduced by more than 50 per cent compared with the same period last year and are struck after deducting pre-opening expenses incurred in France.

Extraordinary profit after tax includes a profit of film arising from the sale of the group's investment in FBC Holdings for

A breakdown of pre-tax profits shows: industrial division £31m (£25.8m); share of profit of related companies £2.1m (£1.3m); retail division £22.4m (£13.4m); retail division £22.4m (£19.1m); surplus on disposal of properties £8.7m (£7.6m); interdivisional net interest and unallocated items credit £0.9m (£1.5m debit). Tax came to £28.2m (£17.9m)

and there were extraordinary credits this time of £11.5m. Minorities came to £0.5m (£0.2m) leaving the attributable balance £19m ahead to £53.2m.

Borthwick over budget to £3.8m for year

CONTINUING improvement in the results for the year ended October 2 1983 has been achieved by Thomas Borthwick & Sons, the international meat trading, processing and retailing group. But "the time has not yet arrived" to pay more than a nominal dividend of 0.01n per share in order dend of 0.01p per share in order retain Trustee status.

On turnover of £540m, against £536m, the year's profit shot up from £358,000 to £3.8m. For the first half the profit was £3.08m improvement, being 18 per cent and this was thought to be the bulk of the profit for the entire £53.3m.

In the event the second half

activity at the works in Australia. net attributable profit came out This was followed, as expected. at £3.75m (loss £1.52m). by losses there in the second

Beef trading from New Zealand operations produced good profits in the second half which more than offset the earlier losses made on old season's lamb.

After tax £86,000 (£1.05m), Eorrowings are down from three including £96,000 (£1m) overseas the charge, minorities £32,000 (loss £322,000) and £606,000 research from three is £222,000) and £606,000 research from three is £33.5m, there is £322,000 and £606,000 research from three is £33.5m.

CONTINUING improvement in owed much to drought induced organisation costs last time, the

comment

Borthwick warned six months Beef trading from New Zealand operations produced good profits in the second half which more than offset the earlier losses made on old season's lamb.

Net bank borrowings for the year continued to show a marked improvement, being 18 per cent down on the previous year at £3.3m.

After tax £86,000 (£1.05m).

Borthwick warned six months ago that it did not expect to make much in the second half, but its profits were still slightly below expectations, so the shares dropped 2p to 24p. The bulk of the year's £3.4m improvement came from a £3m reduction in interest charges thanks to asset sales, tighter control of working capital and improved cash flow.

Boucheries Bernard was hit by decreased spending power in the French economy, while the UK trading division was afflicted by slack demand for meat in the hot summer. If volumes do pick up significantly, debt may monentarily creep up again to monentarily creep up again to finance working capital increases, but the group is ruling out any call on shareholders until it is sure earnings are on a firm upward trend. For the time being, it expects profits to be no higher in the current year. But without the distortion of last year's Australian drought, same year's Australian drought, same

underlying improvement.

All those takeovers, rights issues

Rotaprint loss

Higher turnover, mostly from exports, has not been sufficient at Retaprint to offset first half costs incurred in new machine development, improvements to existing products and the launch of new factored consumable products.

As a result, pre-tax losses in-creased from £35,000 to £165,000 in the half-year to October 1 1983. Sales of this printing equipment manufacturer rose from £6.51m to £7.39m.

There was a trading loss of £65,000 against profits of £109,000. Bank interest charges were down from £144,000 to £100,000. After tax up from £2,000 to £6,000, there was an attributable loss of £171,000 (£183,000) (including an extraordinary debit of £146,000).

The directors consider it prudent to delay payment on the 111 per cent cumulative preference dividend due on October 1 1983 and they do not propose an interim dividend. They say the 6‡ per cent preference share dividend due on September 30 upon resources and will be paid vision of sports news services. Earning on December 5. "In the last few months the (4.8p).

Trebled interim profits at Extel

French Kier builds

good results

The £21M St. Mary's Hospital redevelopment contract was awarded to French Kier Construction Limited.

of £5.18m, against £1.57m, were and its 45 per cent interest in achieved by the Extel Group in the six months to September 30 1983. The results include a first the proceeds could be more proceed the country by being and offers for sale have done the proceeds country by being and offers for extel. Which goes with such th

TREBLED PROFITS before tax group has disposed of Robophone of £5.18m, against £1.57m, were and its 45 per cent interest in achieved by the Extel Group in the six months to September 30 because the directors believed to sell because the directors believed and offers for such contributions. See Part 1983. The results include a first the proceeds could be more proposed in other parts.

Fershaws Burtonwood Brewery is lifting its interim dividend from 2.04p to 2.5p net in respect of the year ending March 31 1984. Net profit fell from £639,000 to £590,000 in the first half to September 24.

Turnover came to £10.78m (£9.93m) and the profit was £1.23m (£1.33m) subject to tax of £639,000 (£692,000). In the full 1982-83 year profit before tax came to £2.76m and the dividend total was 8.825p. Fershaws

Redland tops £40m and outlook is 'bright'

UK, West Germany and the U.S. enabled construction materials group Rediand to hoist its pretax profits to £40.5m for the 36 tar profits to £40.0m for the 30 weeks ended September 24.
This was an advance of 39 per cent over the £29.1m reported for the opening half of the previous year and was achieved on a 7 per cent increase in turnover to £526.1m, including associates' share.

Trading in the second half is continuing on similar patterns in all three countries and there are also signs of an upturn in Australia.

The directors say that the second half percentage rise in profits may not quite match that of the first six months because

or the first six months because
the recovery in construction
volume began about this time
last year.
They add, nonetheless, that
prospects for Redland's profits
and cash generation, particularly
for the overseas activities, "look
bright."

for the overseas activities, "look bright."

Meanwhile, the interim dividend is being stepped up from 2.94p to 3.325p net per 25p share, an increase of 13 per cent—a final of 5.14p was paid for the 1982-83 year when taxable profits totalled £68.3m.

The group results for the past six months also included an "important" contribution from the Redland Worth Corporation. In the UK profits before tax and interest rose by 14 per cent with all divisions showing improved performances. The better results, however, were partially offset by a significant decrease (from £2.6m to £100,000) in profits from the sale of land. Overseas subsidiaries increased their contribution by 174 per cent.

With an upturn in new housing in West Germany profits of Brass and Company rose strongly. Activities in the U.S. gained from a substantial increase in demand for new housing and highway expenditure but in Australia profits nousing and highway expendi-ture but in Australia profits from Monier were lower than last year's levels.

Tax accounted for £17.1m (£12.1m) and earnings rose from 7.9p to 10p per share. See Lex

Forshaws Burtonwood Burtonwood

Burnett & Hallamshire dives midway to £4.9m

division, with no contribution from California, was largely responsible for a 51 per cent fall in interim pre-tax profits at Burnett & Hallamshire Holdsix mooths to the end of September 1983 fell from an adjusted filom to f4.93m. This is contrary to the directors previous expectations of further substantial growth for the current year.

substantial growth for the current year.

The directors had expected property division profits would be at or above the levels achieved in the year to the end of March 1983—they now say this is not realistic and believe profits for the full year are likely to be "very substantially" below those achieved last year. In the last full year group pretax profits grew from £21.5m to £30m, including £4.18m (£2.74m) profit on sale of fixed assets.

The net interim dividend has ben effectively held at 4p—in the last full year the equivalent of 8.75p was paid after adjusting for a one-for-one scrip. Half-time earnings per 25p share fell from an adjusted 19.8p to 8.5p.

Turnover slipped from £107.34m to £100.17m.

Over the next few months Mr

A SETBACK in the property E Grayson, chairman, says be He adds that consideration division, with no contribution will be continuing his review of may be given to offers for indiffrom California, was largely group activities. After a period vidual sites before development when the company has expanded dramatically by acquisition, he feels that it is timely to examine comporate strategy in order to maximise profitability from existing resources.
The directors have recently

appointed Kleinwart, Benson and James Capel as financial advisors and stockbrokers respectively. Following Mr Helsby's announced resignation as chairman in August, the directors are conducting a review of symplestics. conducting a review of group management and board struc-

management and board structure.

The property division contribution fell from \$4.53m to fill pear are likely to be "very substantially" below those achieved last year. In the last full year group pretax profits grew from £21.5m to £30m, including £4.15m (£2.74m) bench to sale of fixed assets.

The property division contribution fell from £4.53m to £1.21m—Mr Grayson says he has particularly concentrated his review to this area in recent weeks.

The full year contribution from California is likely to fall because the phasing of the development programme means ben effectively held at 4p—in the last full year the equivalent of £75p was paid after adjusting for a one-for-one scrip. Half-time earnings per 25p share-fell from an adjusted 19.5p to £5p.

Turnover slipped from also fail because Mr Grayson says certain trading opportunities anticipated to arise during this current financial year are unlikely to do so.

The mining division—where profits slipped from 45.43m to 44.86m—is performing satisfactorily says hir Grayson, considering the moze difficult market conditions in which it is operat-ing. The oil division also con-

ing. The oil division also continues to perform satisfactorily with profits at £231,000 (£208,000).

Construction activities performed well in a market place where order books are difficult to fill. In Iraq all contracts will be completed by the year end, Recently a contract worth £10m has been won in Abu Dhabi. has been won in Abu Dhabi.

Pre-tax profits were struck after associate losses expanded from £0.42m to £1.52m. This included pre-tax losses from Rand London Corporation of £3.92m (£2.22m) compared with £3.3m (£1.87m) on turnover of £15.06m (£25.33m). The coal division was hardest hiz with depressed markets

Another associate Rand London Coal, turned in higher pre-tax losses of £3.47m (£2.4m) on turnover down from £7.4m to on turnover down from R7.4m to R5.93m

Renold losses deepen to £2.7m

CONTINUING LOW demand, both at home and abroad, led taxable losses of power transmission products and machinery manufacturer Renold to deepen from £1.03m to £2.7m, in the first half to September 1983. Sales were lower at £61.1m compared with £65.47m.

With losses per £1 share given as \$9 (4.4p) the interim dividend is again being missed and the preference payout is also being omitted. No ordinary distribution was made for the previous 12 months when taxable losses of £3.9m were incurred.

The directors say the large as a result of reductions in stocks and working capital. Borrowings at the year end will be substantially lower than in March 1983. First half trading profits fell from £2.4m to £198,000—after losses incurred by the UK subsidiaries surged from £159,000 to flavore than in March 1983. First half trading profits fell from £2.4m to £198,000—after losses incurred by the UK subsidiaries surged from £159,000 to flavore than in March 1983. First half trading profits fell from £2.4m to £198,000—after losses incurred by the UK subsidiaries surged from £159,000 to flavore than in March 1983. First half trading profits fell from £2.4m to £198,000—after flower than in March 1983.

The directors say the large at the year end will be substantially lower than in March 1983.

First half to £1.5m—while interest charges were cut from £3.4m to £129m.

Overseas tax took £486,000 (£700,000) leaving net losses of £3.19m (£1.77m followed in the first half, primarily £12,000). on the previous year."

The cash position has im- lowing preference dividends of proved in the first half, primarily £12,000).

Brockhouse second half in profit

£113,000 in the second half at Brockhouse has helped reduce

of do not justify a dividend, but second half is being maintained they are maintaining the net Process plant and equipment payment at 0.1p. Losses per 25p had an excellent year and the Brockhouse has helped reduce pre-tax losses from £1.57m to £682,000 for the year to the end of September 1983. However, the directors say that the second half recovery was weaker and slower than expected.

Pre-tax losses were struck after a fall of £500,000 in interest payments to £1.94m.

The comparable second half showed losses of £754,000.

Turnover for the year of this engineering, transport, and building group expanded from £63.9m to £66.06m.

payment at 0.1p. Losses per 25p had an excellent year and the share fell from 14.48p to 10.77p. good performance is continuing.

The directors say there has Overseas interests produced been a slow but patchy improve-good results. Canada felt the ment at home sinee April. The recession most, say the directors, tatic following a levelling off in expected.

August. The rateal re-rolling the slow recovery in the division had a poor year with second half accelerated certain proving demand but is still tax cannot to £1.15m (£888,009) and minorities accounted for £13,000 (£7,000). Extraordinary debits of £261,000 (£370,000) were sion showed losses for the year

engineering. transport, and building group expanded from the foundries and forge dividebits of £261,000 (£370,000) were 563.9m to £56.06m. The directors say that results but the improving trend in costs.

London & Edinburgh tender Hanover offer to raise £7.5m

Net assets per share, adjusted for the new issue, are 82p according to the prospectus. The

comment

to develop new properties when other companies moved almost completely into investment. (Though LET does have a £16.5m investment portfolio

prospective p/e on an estimated effective tax charge is 9.4.

London and Edinburgh Trust's

Barclays Merchant Bank publishes the prospectus today of the offer for sale by tender of 6,615,000 ordinary shares of 10p each of London and Edinburgh Trust at a minimum price of 150p per share.

LET develops business parks and commercial and retail properties in London and the South-east England, limiting risk by arranging comprehensive funding packages with institutions. It is seeking a full quotation for all its shares.

The company will raise £7.5m through the issue of 5m new shares more recently on specific projects with S. & W. Berisford and Guinness Peat. Property, has allowed the company to continue

DIVIDENDS ANNOUNCED Date Corre- Total of sponding for

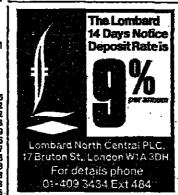
P	ayment	payment	div.	year	year
Argyll Groupint.	1.75	Jan 20	_		
Boots Coint.	2	Jan 11	1.75*	_	4.75*
Thos Borthwick		Jan 20	nil	0.01	nil .
Brockhouse		Feb 17	0.1	0.1	0.1
Burnett & Hilmshre int.		Jan 20	4*		8.75*
Castlefield (Klang)	10§	Jan 6	10	14	245
Extel Groupint.	3†	Jan 6	2.5		10
Forshaws Burtawd int.		_	2.04	_	8.63
French Kierint		Jan 5	1.25	_	4.85
Fulcrum Tstsec. int.	2.95	Dec 31	2.65	5	4.75
Globe Invstint.		Peb 24	3.55	_	8.3
Hanover Invstsint.		Jan 6	0.7	· —	1.85
Higsons Brewery	3.05	_	29	3.45	3.3
Killinghall Rbr		Jan 6	8	27.5	10
Thomas Lockerint.	0.38	Jan 4	0.38	— "	1.3
Norton Opexint.	1	Feb 3	0.67*		2.17*
Powell Daffrynint.	5	Jan 6	4.7	_	14.25
Redlandint.		Jan 23	2.94		8.08
Scottish Cities	9.5	Jan 4	8.5	13.5	12.5
Scottish Inv Tst			3	4.7	4.7
Warnford Invint.	ß	April 10	5.5	_	12.5
Distinct of the same with				• .	

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡USM stock. § A special of 10p also proposed. ¶In lieu of final. || Including

BOARD MEETINGS

Interime: Aeronautical and General struments, West Bromwich Spring. Finals: Sega Holidays, Tomkinsons.

Interims	
Atkins Bros. (Hoslery)	Dec 5
Baker Perkins	Dec 12
Blyvoorustzicht Gold Mining	Dec 12
British Tar Products	
Century Orls	Nov 29
Coalite	Dec 6
Faulta Constant Tourist	
Equity_Consort Invest. Trust	Dec 7
G.B. Papers	Nov 28
Imperial Continental Gas	Dec 13
Lennons	Dec 8
Marshalls Halifax	Nov 28
Toothill (R. W.)	Dec 5
Unigate	Dac 15
Utd. Computer and Technology	Nov 30
45	IADA 30
Finals—	
Dubilier	Dec 5
Durban Roodepoort Deep	Dec 12
East Rand Proprietary Mines	
east valid Lichtistely Wilds***	Dec 12



LADBROKE INDEX 719-724 (+5)

1983.
The interim dividend is being

The interim dividend is being lifted from 0.7p to 0.77p net on the enlarged share capital.

Earnings emerged at 3.02p (1.67p)—pre-tax profits for the whole of the 1982-83 year totalled £175,000.

acquisitions.

Warnford Invsts.

INCLUDING A first time contribution from estate agents
Druce and Co., which was well ahead of expectations, pre-tax profits of Hanore Investments
(Holdings) more than doubled from £101,000 to £208,000 for the six months ended August 31 1983.

was paid.

Gross rents and service charges totalled £2.47m compared with £2.15m. First half tax was up from £873,000 to £921,000, leaving atributable of £1.03m (£922,000). Earnings per 20p share improved from 9.61p to 10.72p.



Hanover Investments

(Holdings) p.l.c. Interim Report Half Year to 31.8.83

Trading results of Druce & Co. the Estate Agents well ahead of expectations. We are continuing to look for suitable

Interim dividend			Tesur.
Results in brief	6 mo 31.8.1983 (Una	Year to 28.2.1983	
Group Turnover	£000 2,199	£000 828	£000 1,745
Profit before tax and excep- tional items	265	101	175
tional items	122	51	125

Granville & Co. Limited

Licensed Dealer in Securities 27/28 Lovat Lane London EC3R SEB Over-the-Counter Market

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				· · · · ·				P/t	
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	. 420	338.5	Irevise Holdings	420	+ 5.	ر جند .	· :== :	8.6	7.8
-	. 23	17	Liplinck Maidinas	. 17		- T.O	5.8	77.1	.16.Z

French Kier Holdings Public Limited Company 50 Epping New Road Euckhurst Hill Essex

J. C. S. Mott, F. Eng., F.I.C.E., F.I.Struct.E.

(1982£4.85M)

(1982£107M)

(19825.5p)

satisfactory level

unsatisfactory

* Group profit up 16% to £5.65M

Chairman reports on six months to 30th June 1983

* Group turnover up 10% to £118M

* Interim dividend up 16% to 1.45p

* Earnings per share up 16% to 6.4p

* Group order book maintained at

* Outcome for the full year will be not

(1982 1.25p) (payable 5th January 1984)

Works worldwide

6.4p

rchitects — Lleweiyn-Daviss and Weeks nanity Surveyors — Cardinar & Theohald onsulting <u>Engineers (Structure)</u>) — Ove Arup & Partners onsulting Engineers (Bailding Services) — Oscar Faber & Partners

30.6.83

M8112

£5,65M

(unaudited)

Turnover

before tax

Dividend

pershare

Earnings per share

Profit

30,6,82

£107M

£4.85M

1.25p

5.5p

Year

31.12.82

£257M

£12,44M

4.85p

15.3p

UK COMPANY NEWS

MINING NEWS

Anglo now faces a less prosperous second half

RESULTS for the first half of	
the financial year to next March	
from South Africa's Anglo American' Corporation mining	
and industrial finance group	
show a useful merease over	
those of the same period of last	
year, but the signs for the second half are less propitious.	_

those of the same period of last year, but the signs for the second half are less propitious.

In the latest six months to September 30, attributable profits before extraordinary from R309.4m in the same period of 1982.

Adding in an—merplained—extraordinary credit on the latest occasion of R9m, against a debit a year ago of R4.1m, gives a half-year earnings total of R359.5m against R305.3m. Earnings for the full year to last September amounted to R630.4m after extraordinary debits of R14.1m.

Anglo is declaring a main-

Six months ended 30.9.83 30.9.82 R m 155.9 132.1 69.7 47.7 96.5 93.9 140.0 138.9

tained, and well covered share of said, profits interim dividend of 35 cents; of assoc, companies 83.1 94.8 the previous year's final was 75 cents.

Profit before extraord. itsms. 330.5 sents. cents. Cents. Contany itsms. 330.5 sents. Cents. Contany dividends 79.5 79.4 income in the first. Dividend income in the first half has been boosted by the gold investments together with two dividends raceived from Rustenburg Flatinum Holdings as a result of the latter's change in its annual accounting period to June 30 from August 31. Increased earnings at Anglo American Properties have offset a fall at Angio American Coal Corporation to leave a net improvement in group trading

On the other side of the coin, share dealing profits have dwindled from those of a year ago and higher interest rates in South Africa have lifted the

Uranium problem for TCL

THE FUTURE of by-product unexciting prices and estimated uranium production from South future production costs, their roles as uranium producers will future operations.

Africa's Harmeny and Bly-vooruitzicht gold mines has been have to be reassessed."

Lawrence, chairman of the holding company Transvani Consolidated Land (TCL).

The group has several other problems at present. The gold mines are running at or near have to be taken into account full capacity, so that the scope when dividends are considered for further reductions in works. have to be taken into account when dividends are considered. This, he said, means that dividated Land (TCL).

Mr Lawrence said in his latest annual statement that uranium production will continue in the year ahead, but lower profits are expected.

He added: "In the light of mines are running at or acer have to be taken into account full capacity, so that the scope when dividends are considered. This, he said, means that dividend payments may have to are also fears that the continuing fluctuate in sympathy with the changes in the fortunes of the reductions in electricity supplies.

Apart from that, lower continue commitments.

Bula Mines more optimistic

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MINING NEWS IN BRIEF

AFTER a 10-year battle, Bula the viability of the deposit is it may be able to bring its lead-time orebody at Navan, County Meath, into production.

The company has at last been granted planning permission to develop the deposit of which Bula owns part, and believes it total debts are thought to exceed Islom.

The planning permission may believes it total debts are thought to exceed Islom.

The planning permission may believes it total debts are thought to exceed Islom.

The planning permission may believes that metal markets have turned the corner, and that the mine would be profitable.

The bulk of the Navan ore body belongs to Tara Mines, which itself has debts of Isp2m. The planning permission may believe that metal to body belongs to Tara Mines, which itself has debts of Isp2m. The planning permission may between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies under which the order to see an agreement between the two companies the total debts are thought to exceed Islom.

The planning permission may be the profit of the mine of the corner, and that the mine would be longs to Tara Mines, which itself has debts of Isp2m. The planning permission may be the profit of the Nover Mines to the the mine could be profit of the corner, and that the mine would be profitable.

The bulk of the Navan ore body belongs to Tara Mines, which itself has debts of Isp2m. The planning permission may be the profit of the order to see an agreement between the two companies of the profit of the profit of the profit of the order to see an agreement between the two companies of the profit of th

DRAMATIC IMPROVEMENT

INTERIM RESULTS (unaudited)	Six Months to	Six Months to	Year to 31st
	30th Sept. 1983	30th Sept. 1982	March 1983
	£000's	£000's	£000's
Turnover	69,607	57,889	125,837
Profit before taxation	5,157	1,574	6,033
Taxation	2,241	648	3,178
Earnings per share	14.3p	4.6p	
Dividends per share	3.0p	2.5p	

Note: Corresponding figures have been restated to reflect the merger with Benn Brothers plc.

- High activity by Burrups Printing Group in financial and commercial markets.
- Further rapid progress by Digital Microsystems in America
- First contribution from publishers Benn Brothers.
- Extension of interest in provision of sports news services.
- Continuing progress expected.

Alan B. Brooker, Chairman.

SPORTS NEWS SERVICES • ADVERTISING AND PUBLIC RELATIONS PRINTING . FINANCIAL AND BUSINESS INFORMATION PUBLISHING - COMPUTER SYSTEMS

Extel Group PLC

Extel House, East Harding Street, London EC4P 4HB.

Trafalgar House chief executive

Mr Eric Parker has been formally appointed as chief executive of TRAFALGAR erecutive of TRAFALMAN HOUSE, the shipping, construc-tion and energy group which, given clearance by the Mono-polies Commission, is expected to mount a new bid for Penin-sular & Oriental Steam Naviga-

spiar & Oriental steam Naviga-tion early next year.

The post has been vacant since March when Lord Matthews resigned as chief executive in order to concentrate his interests on Fleet Holdings, the newspaper and publishing group. Mr on Fleet Holdings, the newspaper and publishing group. Mr Parker, who joined Trafalgar in 1965, assumed the chief executive's role in addition to his responsibilities as group managing director and it has now been decided to merge the two posts. A chartered accountant by training, Mr Parker was appointed director of finance and administration in 1969 and was made managing director eight years later.

Following the retirement of Mr R. Collingwood in September, H. SAMUEL has appointed Mr A. S. Edgar as chairman. He is the son of former chairman and managing director, Mr R. R. S. Edgar and is a great grandson of Harriet Samuel, founder of H. Samuel. Mr Keith Tamlin, vice president of the Liverpool Law Society, has been appointed a non-executive director.

WEEKS ASSOCIATES has appointed two directors to the group board. Mr Kenneth Tong, managing director of the group's specialist agricultural machinery subsidiary, will have particular responsibility for group strategy in the agricultural operations. Mr David Emmet, managing director of the industrial products distribution subsidiary, will have special responsibility for developing the group's distribution activities.

Buying chief at Woolworth

nor Richard Bettinson is to Join F. W. WOOLWORTH on December 1 as head of the buy-ing division of food, wines and spirits, tobacco, toiletries and all other fast moving consumer goods. He was until this appoint-ment buying director of Key-markets

After serving as group secre-tary (designate) since joining HENRY BOOT in 1982, Mr Peter Hawley has now been appointed group secretary and company secretary to the parent company board on the retirement of Mr Bert Marsh. Prior to joining Henry Boot he was secretary of the National Building Agency.

changes

The FIRST NATIONAL BANK
OF CHICAGO has reorientated
the international capital markets
group of its financial products
department. The group continues
under the direction of Mr William G. Curran, Jr., senior vice
president, responsible for the
merchant banking activities of
First Chicago.

We Better I Depoid vice presi-

merchant banking activities or First Chicago.

Mr Peter J. Donald, vice president and managing director, Global Securities, will remain in London where he will have responsibility for securities activities worldwide. Mr Donald was previously head of the internationi corporate finance division. Mr Thomas H. Hodges, vice president and managing director finance and administration for the group, will be based in London. He was division head, corporate finance, and president, First Chicago Leasing Corporation in Chicago. Mr Ronald Enestrom, vice president and managing director for Asia, will assume responsibility for continuing the development of merchant banking business in Asia.

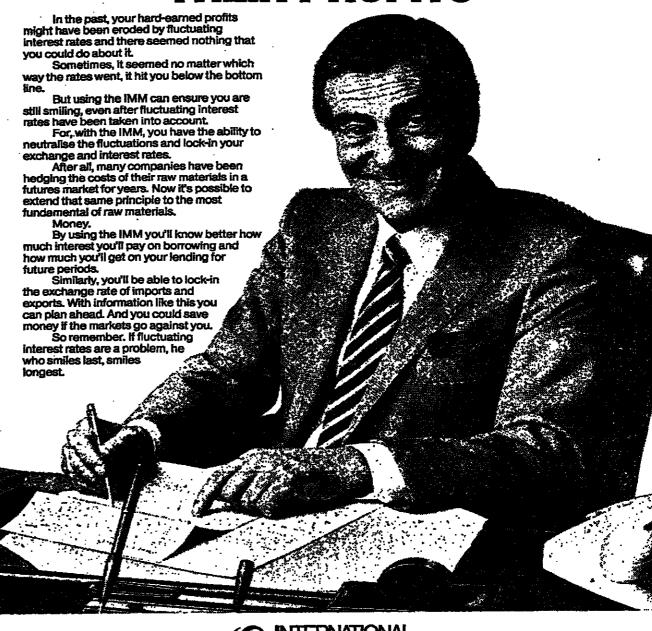
Mr Michael H. Melssner, vice chant banking business in Asia.

Mr Michael H. Meissner, vice president and managing director of Europe, Middle East and Africa, will be based in Loudon, with responsibility for marketing and business development. Mr Samuel A. Yohal, vice president and manging director of Latin America and Canada, will be based in Chicago. Mr Yohai previously served as senior partner and director of Leslie, Weinert and Yohal, Inc.

Unilever NV to have new chairman

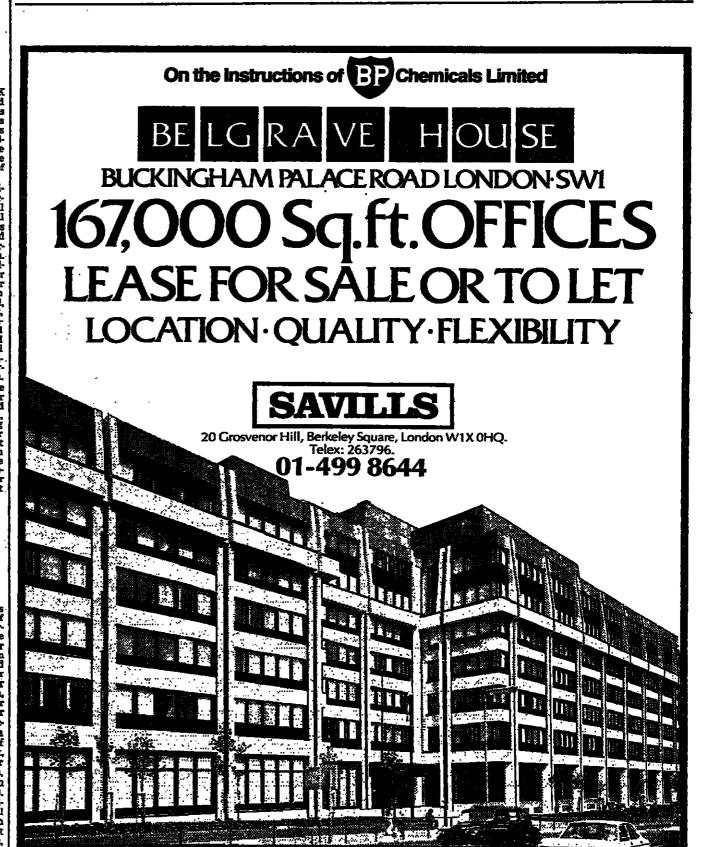
Mr H. F. van den Hoven is to retire as chairman of UNILEVER NV and vice-chairman of Unilever NV and vice-chairman of Unilever plc at the annual meetings in May. Mr F. A. Maljers is to succeed him as chairman of Unilever NV and as a vice-chairman of Unilever NV and as a vice-chairman of Unilever plc. He has been a director since 1974. Mr H. R. Angus, currently the Unilever director with Special responsibility for North America, is to be a vice-chairman of Unilever plc and a member of the three-man chief executive. Mr M. Tahakshlat, currently chairman of Lever Sunlight BV in the Netherlands, becomes a director of both parent companies. Mr J. D. Keir, a joint secretary of Unilever plc and Unilever NV, will retire at the annual meetings in 1984. Mr M. D. Snoxall, at present head of legal services. Unilever plc, will be appointed a joint secretary of Unilever plc and Unilever NV in succession to Mr Keir.

GOOD NEWS FOR THOSE WHO DON'T WANT FLUCTUATING INTEREST RATES TO SPOIL THEIR PROFITS



IT'S NICE TO KNOW WHERE YOU STAND

For more information about how the IMM can be of use to you and for a full list of members, please contact Keith Woodbridge or Richard Heckinger, 27 Throgmorton Street, London, EC2N 2AN. Telephone: 01-920 0722 Telex 892577 IMMLON G



Mystery approach could lead to offer for Francis Parker

A BID may be on the way for housebuilding activity, half-time francis Parker, the building profits climbed from £245,000 to fallow materials and services and property development group. The For the full 1983 year the of the disappointing response. perty development group. The fourth fourth last that one of its major share that one o holders had received an approach which could lead to a full offer for the entire share capital.

The statement was prompted largely by an intermittent share to 16.4 per cent, Electra Invest-price flurry which had lifted the ment Trust, which has a 7.3 per price since the middle of last cent holding, and M and C Inweek from 36p to 51p at last vestment Management, which is night's close, for a gain of 11p thought to control an aggregate on the day. At this price, Francis of abo Parker is capitalised at just over funds.

services across a broad spectrum of construction industry require-ments and, after several difficult years, its profits have begun to

Helped by the debt reduction ensuing from the sale of its Southern Land subsidiary last year and a pronounced rise in licensed dealer, has withdrawn of 9.5p (8.5p).

Major shareholders include Investors in Industry, which has recently cut its stake from 19.5 of about 9 per cent in various

However, the chairman, who The group, which has been the subject of periodic bouts of bid speculation in the past, sells building products and provides services across a broad spectrum of construction industry requirements and affire serveral difficults.

Harvard withdraws

Petroleum Mining, which pro-poses to "mine" oil using underground shafts drilled below the oil-bearing rock in Louisiana. planned to offer 5m 70p shares. Each share carried a warrant

for a further share at 87.5p. The shares would have been traded on the over-the-counter market made by Harvard and several other licensed dealers.

Scottish Cities Tst.

Net profits of the Scottish Cities Investment Trust moved ahead from £476,395 to £482,830 in the year to September 30 1983, equivalent to a rise from 14.2p to 14.4p per 25p share. Net asset value was 463p at year end, and 485p at November 24 last.

TR unravels another trust cross-holding

BY CHARLES BATCHELOR

Touche Remnant, the UK fund management group, took a fur-ther step yesterday towards unravelling the cross-holdings Property Investment Trust, with TR Industrial and General Trust, the group's biggest fund with £350m under management, placed its largest single holding, a £13.8m stake in the £58m TR Property Investment Trust ,with about 20 institutions.

Stockbrokers De Zoete and Bevan made the placing at a special ex-dividend price of 106p per share compared with Wednesday's closing middle market cum dividend price of 113p.

Touche, which has nearly £2bn under management, is now more than halfway through its programme of eliminating crossholdings started about 18 months ago. Six of its trusts have 15 holdings worth about £25m which still have to be unravelled.

Stockbrokers De Zoete and

Initial purchase

Initial textile rental and environmental care group, has acquired commercial and indus-

trial security specialists, Arrow Security Systems as part of its policy of diversifying into addi-tional areas of service to

initial has bought 90 per cent of the business for £450,000, including subscription of additional share capital, with the other 10 per cent being kept by the founder and vendor, Mr Ron Sutcliffe.

Sutcliffe.

Arrow specialises in "Slow-Scan" long-range television surveillance systems. CCTV and alarms together with process monitoring.
Initial intends to support
Arrow's expansion in the area
of high technology labour saving

Wheeler's

Acceptances for the offer by Kennedy Brookes for Wheeler's Restaurants have been received in respect of 1.48m ordinary shares, equivalent to 98.73 per cent of the capital. The offer has been extended until 3.30 pm on December 21.

security and safety systems.

National Coal Board sells 30% **Associated Heat shareholding**

The National Coal Board NCB's holding in this company, valid. In its last financial year (NCB) has sold its 30 per cent which incurred an operating loss AHS made a pre-tax profit of stake in Associated Heat Services last year of £1.3m, is 60 per £3.3m, on turnover exceeding (AHS), which it helped to form cent.
in 1966 and which acquired a The NCB said yesterday that,
Stock Exchange listing in May as one of AHS's founders, it was

The NCB yesterday denied that it had been pressed to do so by the Government and so by the Government and called it "a one-off decision." However, it is clearly in line with the Government's policy that publicly owned industries should hive off interests peripheral to their main activities and which could be successfully managed in the private sector. The NCB sold its 2.4m ordinary AHS shares yesterday, which were placed on the market by S. G. Warburg at a price of 3.12p per share. About two-thirds of the shares went to new rather than existing share-

One of the NCB's other ancillary companies J. H. Sankey and Son, a heating equipment and building materials supplier, could one day be a candidate for disposal

holders.

pleased at its success and expected it to continue. "As the company's business is outside the NCB's main activity, the NCB feel that now is an appropriate time to dispose of its sharehold-

The company's two NCB directors, Mr Donald Davies and Mr James Cowan, are to leave the AHS board, although ex-NCB chairman Lord Exra will remain as chairman of AHS.

AHS acts as a contractor to operate heating plant on about 2,000 sites throughout the UK. About 45 per cent of the money it spends is related to coal burning. ing and this year more than three-quarters of its new business is with customers switching to coal from oil and

However, not all AHS's cus-tomers use NCB coal, and it also assists companies burning other

as chairman of AHS.

According to Mr Alan
Tweedale, AHS's managing director, the success of the company means that the original financial reason for the NCB's stake in creating it is no longer in the success of the company means that the original financial reason for the NCB's AHS's reputation in its "customers' eyes."

Hogg Robinson expansion

BY DAYID DODWELL

Hogg Robinson Travel, the wholly owned subsidiary of the Hogg Robinson insurance group, yesterday confirmed that it had purchased Wakefield Fortune Travel, the loss-making UK travel agency owned by Holland America Line.

America Line.

Hogg Robinson is paying a mere fi.83m for Wakefield Fortune's 93 travel shops, which in 1982 generated a turnover of almost f90m. The low price tag is the product of four months of hard bargaining, and is indicative of the urgency with which the hard pressed Holland America Line needed to dispose of the business.

HAL recently revealed losses HAL recently revealed losses for the first six months of 1983 of \$16.8m (£11.2m). This compared with losses for the equivalent period in 1982 of \$2.33m, and prompted the company to take necessary steps " to sell "certain assets."

Mr Brian Perry, managing with director of Hogg Robinson about Travel, said yesterday that the group.

acquisition would give the group a nationwide coverage, with 189 outlets in a total of more than 100 towns.

He said Wakefield Fortune made losses before tax in 1962 of £1.7m and he did not expect the company to return to profits until the end of 1984.

The acquisition will correct a strong southern bias in Hogg Robinson's operations.

Unlike Wakefield Fortune, however, Hogg Robinson remains in profit. Mr Perry said the group made a pre-tax profit of £550,000 in the year to March 31 1983 after losses attributable to recently acquired companies recently acquired companies were taken into account. In the previous year, profits stood at about £1.5m, and it is thought that profits will rise above £2m

in the current year.

Hogg Robinson now stands as the UK's second largest travel agency group in turnover terms with current annual sales of about £250m for the combined

Siebe, the protective clothing and safety equipment manufac-turer, took its £18.3m contested

bid for Tecalemit further forward when it acquired another im shares in the garage equipment group.

Tecalemit urges rejection

SHAREHOLDERS in Tecalemit will today be sent full details of the garage equipment board's defence of the £18.3m bid from Siebe Gorman, before the offer reaches its final closing date on December 2, but in the meantime, they are strongly advised to reject the terms or to with to reject the terms or to with-draw any earlier acceptances. Tecalemit considers that the final offer does not reflects its

final offer does not reflects its
"substantial profit recovery or
forecast increased dividends,"
Siebe's offer "alse represents a
significant discount on asset
value" and accepting shareholders of the all share offer
would suffer "a substantial
decrease in annual dividend
income."

The shares were picked up at 50 mp which equates with the 49.5p per share cash alternative and the interim dividend which accepting Tecalemit share-holders will keep accepting Tecalemit share holders will keep. The shares were acquired half from an undisclosed nomines holder and half piecemeal in the market. This addition means that Siebe can now speak for 19.7 per cent of Tecalemi's equity. The offer reaches its final closing date on December 2.

DoT consent expected for Allianz

ustry was reaching its conclusions yesterday on the change of ownership by Eagle Star to Allianz Versicherung, West Ger-many's largest insurer. Under insurance legislation

the new management of a British insurance group has to be approved by the DoT before be approved by the DoT beare a deal can go shead. The DoT has no objection to Allianz tak-ing over Eagle Star and the only member of the Allianz board who

needed final approval was D1,

THE Department of Trade and 'Wolfgang Schleren, chairman of the management board

Consent is expected to be given and no objections raised by the DoT which will leave Allianz free to make its next strike in the takeover battle for Eagle.

The £692m offer from Allianz has already been extended until 3 pm today and it is expected to make an offer exceeding the agreed £796m bid by BAT Lo-

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Take the opportunity to cut your tax bill to NIL for the next four years by investing in the Tyneside Enterprise Zone. With appropriate tax planning the cost of the provision of riew commercial buildings can be written off in four equal annual instalment against income creating a capital asset out of revenue. The effective after-tax cost of building can be significantly reduced and, as no rates are payable by occupiers until 1991, rental values are improved and the return on investment is enhanced. Better still – where the first occupiers of the mamises are manufacturers you may receive a 22% premises are manufacturers, you may receive a 22% Regional Development Grant towards the building A case of heads you win and tails the tax man

We can take you through all the necessary steps to achieve this happy position including planning, building and letting your investment. Contact us today at: Tyneside Enterprise Zone Office, Civic Centre, le upon Tyne NE99 2BH. Telephone: (0632) 617392. TYNESIDE ENTERPRISE ZONE

GETS YOU GOING.

Transvaal Consolidated Land and Exploration Company, Limited Abridged Chairman's statement

(Incorporated in the Republic of South Africa) A Member of the Barlow Rand Group

When viewed against the background of the deepest recession in the last half century, your company's 24 per cent increase in earnings per share must be cause for satisfaction.

When viewed against the background of the deepest recession experienced by the world's industrialised countries and by South Africa in the last half century, your company's 24 per cent increase in earnings per share to 782 cents for the financial year ended 30th September, 1983 must be cause for satisfaction. It was possible to raise total dividends for the year by 20 cents to 280 cents per share.

for the year ended 30th September, 1983

The reasons for your company's improved performance lie mainly in two areas. First, the company acquired the mining related business of Rand Mines, Limited, with effect from 1st January, 1983, in exchange for the issue and allotment of 2 580 000 fully paid shares. The technical, administrative and financial services formerly provided by Rand Mines are now provided by the company's wholly-owned subsidiary, Rand Mines (Mining & Services) Limited. Included in the acquisition was a portfolio of shares, mainly in the company's associated gold and uranium mining companies, and additional shares in its listed coal mining subsidiaries. The gain to the group from the provision of these services to the company's associated and subsidiary companies and from the receipt of additional income and dividends during the nine months to 30th September, 1983 was R15,3 million. Secondly, the average gold price realised by producers in rand terms was considerably higher than in the previous year. Dividends received in respect of the group's gold interests, other than those acquired from Rand Mines during the year, rose by R5,8 million or some 43 per cent. Consolidated profit attributable to members increased by 52

Gold and uranium

Domination of the gold price by economic and financial considerations continued during the year. It confirmed a major structural change in gold markets. Price movements were exaggerated by short term speculation and forward covering. Interest in gold as a store of value was limited and demand for industrial and fabrication purposes waned.

In the first five months of the year, the gold price showed an upward trend but poor physical demand for gold and bearish chart indications, together with extensive stop-loss selling by speculators shortly before mid-year depressed the price. The uranium market is still suffering from an excess of supply over demand.

in the four quarters ended 30th September, 1983, the company's associated gold and uranium producers again increased their tonnage of ore milled. Despite a fall in the average grade, the quantity of gold despatched rose marginally over that for the previous four quarters. Production of uranium oxide was slightly higher than in the previous year. Revenue rose as a result of enhanced receipts from gold sales. Although costs rose, productivity was again improved and the increase in working costs per ton milled was well contained. Total profits of the four associated mining companies available for appropriation rose from R194 million to R252 million. Work was resumed on the ventilation shaft in the twin shaft complex at Harmony but capital expenditure on Durban Roodepoort Deep and East Rand Proprietary Mines was curtailed. Total capital expenditure on these four mines was considerably lower than in the previous twelve months.

The plant at Crown Mines which recovers gold from sand dumps and slimes dams was commissioned early in the year. Commissioning problems proved to be more intractable than had been expected and operating costs were adversely affected as a result. Despite good head grades, the tonnage of material treated, plant efficiencies and gold production fell short of expectations. However, working profits were realised throughout the year. Shortly before mid-year the operation began to earn profits after interest and amortisation. Estimates of the time required to commission a major plant incorporating much new technology proved to be too optimistic. Although some difficulties have yet to be overcome, there are good indications that in the year ahead the plant should be able to treat the planned 4,4 million tons of material at 70 per cent efficiency or better.

Local demand was adversely affected by a further decline in economic activity and the tonnage of coal sold to inland consumers fell slightly. The drought caused the Electricity Supply Commission – a very large consumer – to suspend or restrict operations at certain of its power stations. However, at Duvha power station, which is more water efficient than some of the others, the fifth generating set was commissioned during the year and the tonnage of coal sold by the Duvha opencast mine was higher than had been

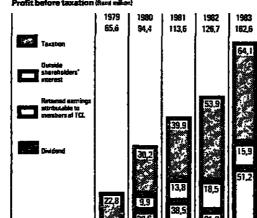
The increases in the pithead price of coal granted by the government were lower than the rate of inflation by an even wider margin than has been experienced in recent years.

In the international market, there was a further decline in demand as users lowered their stock levels and adopted energy conservation measures. With a surplus of coal available throughout the world, and intense competition among suppliers, many consumers have deferred shipments and renegotiated contracts. The sharp fall in prices was in the case of the company's subsidiaries to some extent mitigated by the weakness of the rand and the effects of favourable exchange rates negotiated in terms of forward

Overall, the tonnage of coal sold by the group increased marginally with a small contribution being made for the first time by the Middelburg mine in which the group has a five per cent interest.

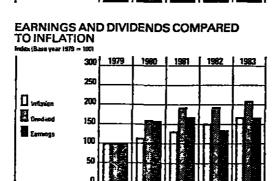
	1979 R000's	1980 R000's	1981 R000's	1982 R000's	1983 R000's
Turnover	207 420	289 013	379 980	423 820	496 496
Profit before taxation	65 565	94 410	113 603	126 364	162 588
Taxation	22 780	30 245	39 859	53857	64 055
Normal	15 179	16 202	2929	5 053	12987
Deferred	7601	14043	36 930	48 804	51 068
Outside shareholders' interests ,	8 455	9881	13776	18 460	15871
Profit after taxation and outside shareholders' interests	34330	54 284	59 968	54347	82 662
Earningspershare	470 cents	743 cents	785 cents	630 cents	782 cents
Dividends per share	135 cents	215 cents	260 cents	260 cents	280 cents
Dividend cover	3,48	3,46	3,02	2,42	2,79
Net asset value per share	2 373 cents	4684 cents	3855 cents	3993 cents	4 481 cents

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85

RESULTS AT A GLANCE



The attributable profit arising from coal mining increased slightly when compared with the preceding year.

Chrome ore markets remained weak. However, the sales volumes of the group's mines improved slightly as a result of local ferrochrome producers increasing their offtake. The decline in the export market continued during the year.

Foreign and South African producers of chrome ore remained in fierce competition for market share in circumstances where worldwide demand was significantly reduced. This resulted in a further reduction in export prices. A further rationalisation of production of chrome ore was

undertaken on the group's mines in the light of prevailing market conditions. Production ceased at the end of March. 1983 at Millsell, one of the group's mines near Rustenburg which produces sophisticated chrome ore grades mainly for the export market. The mine has been placed on a care and maintenance basis pending a revival in the export market for

The losses incurred by the group's chrome mines increased in comparison with last year.

The Marico Fluorspar mine is still on a care and maintenance basis. Customers were supplied from the stockpile of acid grade concentrates and the mine recorded a small profit.

Encouraging results have been achieved on a number of mineralised ore bodies exposed by development on the

company has a 50 per cent interest. The primary interest is gold. The occurrence is hydrothermal in origin. Highly mineralised sections exist as discrete lenses with interposed the ore may prove to be difficult because of the complex mineralisation. An investigation of the extractive metallurgy likely to be applied in exploiting the deposit has recently been initiated. A decision whether or not to establish a small mine in the area will probably be made late in the new

precious metal claims in the Barberton area in which the

The performance of the gold market is extremely difficult to predict. Chartist and financial considerations are an important influence. For the time being, substantial real est rates are available in the United States of America and inflation is a lesser threat than for many years. Political decisions in the United States and Europe in the next year could, however, lead to slightly higher inflation rates and in due course to a weakening dollar. It is therefore extremely difficult to forecast a trend in the gold price, Cost increases are eroding profitability. The South African authorities have given priority to curbing inflation but are operating under constraints imposed by unfavourable economic conditions and the drought. As productivity improvements on the company's associated gold mines have reached a high intensity, and the gold extraction plants are running at or near full capacity, the scope for further economies is greatly

The company's associated uranium producers will continue operations in the year ahead but lower profits are expected. As a result of depressed economic conditions and energy

conservation measures arising from the oil crises of the last decade, energy usage has fallen. It is unlikely that energy consumption will reach its former levels in the short term and thus a recovery in the international coal market is likely to be gradual. No material increase in domestic sales is foreseen in the short term. With costs rising and prices under severe pressure, a lower contribution from our coal mining operations is expected in the year ahead. Demand for chrome ore in the export market is likely to fall

below that of the past year as consumers worldwide are either over-stocked or have already taken advantage of the availability of cheap ores, including stocks of Transvael chrome ore. Countering this weak export demand, there is some optimism among local ferrochrome producers who foresee an increased demand for their products. On balance, with the very slow recovery of the world economy and the heavily stocked position of consumers of chrome ore abroad, prospects for the coming year are poor. Taking all these factors into account, forecasting group

earnings is a difficult task. Unless there is a substantial increase in the gold price or a faster rate of recovery in the developed economies than is expected, I think that we will achieve results which are slightly lower than those of last

Dividend policy

In the increasingly volatile conditions under which the group will operate as the world economy moves from one phase to another, it may not be possible to maintain the relatively stable pattern of dividend distribution which has been followed in recent years. The profits of the underlying operations will, the board believes, tend to fluctuate more than they have in the past. This cannot be ignored when the level of distribution is considered and dividends may therefore also fluctuate in sympathy with the fortunes of the various operations and the need to fund capital expenditure

> R. S. Lawrence Chairman

Johannesburg 15th November, 1983

WORLD STOCK MARKETS 32 LONDON STOCK EXCHANGE 33-36 UNIT TRUSTS 36-37 COMMODITIES 38 **CURRENCIES 39** INTERNATIONAL CAPITAL MARKETS 40

SECTION III - INTERNATIONAL MARKETS

FINANCIALTIMES

Friday November 25 1983

Barter deals for U.S. stockpiles criticised, Page 38

TOKYO

Copyright concern hits computers

A FIRM opening in Tokyo yesterday, with interest centring on blue chips, gave way to light selling as Hitachi and Fujitsu were hit by uncertainty over the IBM software copyright problem, writes Shigeo Nishiwaki of Jiji Press.

Prominent among gains were Matsushita group issues, however.

The Nikkei-Dow market average. which opened nearly 25 points above Tuesday's close (the market was closed on Wednesday for a national holiday), fell back to under 9,400, off 43.02 points to 9,373.54. Volume shrank to 241.22m shares from Tuesday's 283.36m.

As in the previous session, prices rallied sharply at the outset led by blue chips, although there was no particular purchasing incentive.

In mid-morning the market started to crumble as Fujitsu and Hitachi suffered selling, triggering a bout of small-lot. selling of other quality issues.

The market was distressed by the news that Fujitsu had received a warning from IBM against violating software copyright. Fujitsu shed Y110 at one

Paris CAC General

STOCK MARKET MIDICES

726.80

452.63

486.21

446.16

83,10

688.06

54.03

420.91

ŅΑ

148.70-

158.60

942.99

823.75

N/A

197.88 195.24

124.37 124.48

Nov 23

GOLD (per ounce)

120

HEW YORK

DJ Industrials

DJ Transport

FT Ind Ord

FT-A 500

FT-A ind

TOKYO Nikkel-Dow

Tokyo SE

AUSTRALIA

All Ord.

Metals & Mins.

Credit Aktie

Belgian SE

Industrial

FRANCE

CAC Gen

Copenhagen SE

WEST GERMANY

Commerzbank

FAZ-Aktien

HONG KONG

Hang Seng

Banca Comm

NETHER! AND

ANP-CBS Gen

TALY

NORWAY

Oslo SE

SINGAPORE

Straits Times

SOUTH AFRICA

Golds Industrials

Madrid SE

SWITZERLAND

Capital Int'l

London

Zürich.

Frankfurt

Paris (fixing)

Luxembourg (fixing)

SHEDEN

J&P

SPAIN

CANADA

FT-A All-share

FT Gold mines

S&P Composite

'Clectin

. 2

ior Alle

. .

Frankfurt Commerzbank

KEY MARKET MONITORS

1000.00

421.01

116.60

133.68

600.9

419.54

394.59

421.6

79.85

576.02

402.50

47.A7

98.44

: 89.91

- 101.10

122.60

164.51

97.84

687.4

Prev \$376.125

\$375.75

\$376.50

\$376.45

\$375.90

452.56 377.19

1275.61

. 607.53

137.72

166.96

· 724.40

485.84

445.10

494.60

83.19

9373,54 9416,56 7846,77

689.78

722.0

515.9

54.07

2479,07 2475,40 1804.20

193.90

147.50

342.99 1012.50 719.30

194.34

141.50

731.10

1465.00 1467.46 799.88

357.4 356.50 264.90

181.10 180.90 144.80

\$375.625

\$375.50

\$375.75

\$374,36

\$375.75

closed.

158.60

340.79 - 237.41

833.97 789.92

112.80 , 76,6

950.06 732.25

436.86 314.11 420.64 304.62

125.44 125.95

1983

1983

3.032 1637,5

54.99

1.24025

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U.S. 3-month T-bills

3-month U.S.\$

.6-month U.S.\$

Nov 23

101 102****

AT & T Price Yield Price 10% June 1990 94 11.70 93% 3% July 1990 68 10.80 68

10% March 1993 92% 11.90*

10% May 2013 85% 12.35

U.S. Treasury Bonds (CBT)

U.S. Treasury Bills (1986) \$1m points of 100%

8% 32nds of 100%

\$1m points of 100%

\$1m points of 100%

£50,000,32nds of 100%

Silver (spot fixing)

Oil (spot Arabian light)

Coffee (Nov)

December

Diamond Shamrock

Abbot Lab

Federated Dept Stores

997% 11.51

Nov 23

76¼° 12.10°

10% May 1993 90% 12.35 91% 12.25

11.80 Feb 2013 95% 12.35 98.40 12.25

12% Dec 2012 95% 12.85 96.18 12.75

FINANCIAL FUTURES

Latest High

COMMODITIES

71-211 71-24 71-17 71-25

· 91.141 · 91.17 91.12 91.17

90.561 90.58 90.54 90.58

109-09 109-30 109-09 109-31

577.50o

£1916.50 £1903.50

2966.00

Prev 581.55p

2965.00

FT Landon in

(offered rate)

11% 1990

12 2013

point, but rallied to close the day Y60 down at Y1,210. Hitachi also fell to Y798, but later more than recouped the loss to end Y5 up at Y915.

Of the blue chips closing lower on light selling, Fuji Photo Film retreated Y10 to Y2,040, NEC Y10 to Y1,320, TDK Y40 to Y4,660 and Honda Motor Y20 to Y1,050. Matsushita group companies were resilient, with Matsushita Electric industrial climbing Y40 to Y1,810 - this year's high - and Kyushu Matsushita Electric Y90 to Y2,780.

Elsewhere, forerunning speculative issues lost ground, with Aoki Construction shedding Y33 to Y883, Arabian Oil Y250 to Y4,840 and Dai-Nippon Pharmaceutical Y150 to Y2,510. But some small-capital issues stressthaned with Constant tal issues strengthened, with Clarion gaining Y14 to Y874 and Japan Radio Y27 to Y880.

U.S. markets were closed yesterday for Thanksgiving. Release of money supply data has been postponed from today to Monday.

Nippon Gakki and Yamaha Motor suffered from news of a propone gas explosion at one of the Yamaha group's lei-sure facilities. Nippon Gakki lost 720 to Y610 and Yamaha Motor Y15 to Y465.

The bond market eased amid growing concern over recent price rises. The yield on the benchmark 7.5 per cent long-term government bonds, maturing in January 1993, rose to 7.63 per cent from Tuesday's 7.60 per cent in light selling as the belief spread that the Trust Fund Bureau would start selling government bonds.

h200

Index (30-Share

Nov 24

3.96 344.5

3.195

80.5

9%s

4%

13%

91/14

9.45

Price Yield

11.45

11.53

4.4425

Oct

CURRENCIES

- - 1.465 2.7085 2.6835 3.97 235 234.4 344.5 8.2325 8.2 12.0575

3.023 1630 54.79

HITEREST RATES

2.1725 3.195

1.23725 1.816

4.445 2398

80.55

13%

9%t

18.8

9.351

99³⁴/₂₂ 100⁴/₂₂

11.57 101% 11.53

76%

87% 12.25

11.65 103

AUSTRALIA

Industrials pioneer way to peak

INDUSTRIAL STOCKS reached a record high in Australia yesterday while the all ordinaries index, 11.2 ahead at 733.2, came within striking distance of its all-time peak of 746.3 set three years ago, writes Michael Thompson-Noel in

and resource stocks were temporarily overvalued has disappeared. With prospects for the domestic economy looking better and local interest rates still falling, brokers said yesterday's determined rally was further aided by improved signals from Wall Street and the higher

The industrial index gained 11.6 to a record 951.5; metals gained 16 to 582.6; and the oil and gas index was 7.9 higher

The banks and finance sector also prospered, with a 2 per cent rise in its index of 21.9 to 1,088.1. National Commercial at A\$3.80 ex-dividend and Westpac at A\$3.85 both gained 10 cents, while ANZ put on 6 cents to A\$5.94.

The markets have enjoyed a virtually uninterrupted bull phase since Mr Bob Hawke's Australian Labor party came to power in March. Its conservative probusiness stance and cautious budget in August have revitalised the markets.

Yesterday's star performer was market leader BHP, up 15 cents to a year's

Oil and gas issues were mixed, with Woodside Petroleum 2 cents lower at A\$1.25, although Santos reversed early losses to finish 10 cents stronger at A\$8.02, while Bridge Oil gained a similar

Golds improved marginally, with properties, brewers and retailers rising in the general price spiral.

NEW ZEALAND

is focus of frenzy

A FRENZY of activity has taken the New Zealand share market to new heights over the past week, with the share index jumping more than 50. points in one day and reaching a height of 1,225, more than double its 590 mark a year ago, writes Dai Hayward in Wel-

The activity was generated by the successful bid by New Zealand's two food giants, the Wattie and Goodman groups, to acquire a 24.9 per cent stake in the country's second largest company, NZ Forest Products.

tery buyer who, through Auckland bro-ker Paine Belcher, announced a bid for 2m shares in NZ Forest Products.

The competition shot NZ Forest Products shares up from NZ\$5.58 to NZ\$6.81 with some private sales negotiated at

These persistent indications of buoyant market activity - a few weeks back it was oil exploration hopes which produced a mini-boom - run counter to a prediction by Mr Robert Muldoon, the Prime Minister. He warned last week that prudence indicated that the share market, which was already at record levels, should not go much higher.

particularly to small investors, to be prudent. He said yields were as high as they should be and large investors who considered this would ease back on their

Continued on Page 32

SINGAPORE

THE SIDELINES were packed with Singapore investors yesterday as next week's meeting on Malaysian constitutional amendments weakened resolve sufficiently to push the Straits Times industrial index 8.01 lower to 942.05. Declines outnumbered advances by 110 to 24 while 383 stocks were unchanged.

active stock of the session and dropped 8 cents to S\$3.96. Cement issues sustained heavy losses, such as PMC, 40 cents lower at S\$6.55 after announcing lower firsthalf profits. Malayan Cement fell 35

Belgium Belgian SE

EUROPE

Admirable

showing in

THE BEST was made yesterday of a

clutch of generally unfavourable factors

for the European bourses - ranging

from a strong dollar and interest rate

firmness to the occupation of the Dutch

market by public sector workers protest-

Brussels was beset by continued reac-

tion to the one-point rise in the Belgian

discount and Lombard rates announced

by the national bank on Wednesday,

with buying interest already restrained

by several rights issues. But the general

index slipped just 0.51 to 125.44, although now well off its peak for the year

Among steels, Arbed shed BFr 42 to

BFr 1,152 and wire maker Bekaert BFr

50 to BFr 2,920. In chemicals, Solvay was

off BFr 50 at BFr 3,210 but UCB man-

aged a BFr 85 gain to BFr 4,085. Of the

utilities. Ebes stood out with a BFr 60

further BFr 25 rally for Groupe Brux-

elles Lambert at BFr 2,025, but a slide of

BFr 70 more in Electrobel at BFr 5,960.

Enthusiasm turned selective in Frankfurt, as rumours of disappointing

figures due from Mannesmann knocked

DM 4 from the engineer's stock at DM

123, and profit-takers made themselves

Rights issue - adjustments brought a

ing the imposition of wage cuts.

of 134.43 reached in August.

fall to BFr 2,280.

adversity

Sydney.

The recently held belief that mining

London copper price.

The breaking of Australia's costliest drought was another key factor, with the net value of farm production in 1983-84 expected to improve by 120 per cent to A\$2.44bn (U.S.\$2.24bn).

high of A\$13.35.

amount to A\$3.20.

Forestry

Their entry into the market came a

week earlier than planned, but their hand was forced by the entry of a mys-

This week he again issued a warning, share buying.

In industrials, Promet was the most cents to SS8.

ÇANADA

BASE METAL issues moved higher in Toronto, while oil and gas shares firmed. Golds proved to be particularly

Banks continued to be a weak Montreal spot, while utilities, industrials and papers were steady.

But Daimler, bought eagerly for its pending rights, put on DM 8.50 to DM 596 in an otherwise dull vehicles sector. BMW fell DM 3 to DM 420.50 and Volkswagen held at DM 209.80.

Banks were prone to jitters surrounding the spate of recent corporate failures. While Commerzbank dipped DM 1 to DM 166, its index of 60 market leaders jumped 7 to 1,019.5. The Esch res-ignation had little clear impact. With the 2%-hour Amsterdam hold-up

out of the way, small upward movements were the norm. Features were insurer Amfas, with a FI 16 surge to FI 170, as Nat-Ned prepared its offer worth Fl 160 a share, while the prospective parent itself put on Fl 4 to Fl 180. On Wednes-day, both had eased Fl 1.

Dec.31,1363-100

Operations continued happily to take up buying positions on the second day of the Paris account. The revival of activity is also being prompted by a year-end deadline for tax incentives allowed to private investors. Gains yesterday reached double the number of falls.

Among the best were Midi, up FFr 122 at FFr 1,350, and Matra, FFr 85 ahead at FFr 1,085. Peugeot trailed with a FFr 4 fall to FFr 209. Financials, foods and stores were identified as the sectors to benefit most.

Bonds were under pressure from expectations of an imminent state loan to raise up to FFr 15bn with a maturity of

as much as 18 years.

Nestle's profits outlook gave it the best of the Zurich gains, SwFr 105 stronger at SwFr 4,425, while Jacobs Suchard firmed SwFr 50 to SwFr 6,550. Chemicals corrected Wednesday's divergent movements: Sandoz recouped SwFr 50 to SwFr 7,050 and Hoffmann-La Roche slid SwFr 375 to SwFr 99,625.

Domestic bonds were little changed. Milan again viewed Italcementi with disfavour, taking it L895 down at L42,605, in a day which left leading issues weaker but gave good gains to some less prominent ones. Holding company Invest put on L12 to L3,052.

Treasury paper showed slight fluctuations either side.

A second weaker Stockholm session was halted by a buying revival just before the close, leaving the resulting picture mixed. Alfa-Laval shed SKr 10 to SKr 275, but Aga firmed the same amount at SKr 350. Asea was steady at SKr 400 as its results emerged sharply

A lacklustre Madrid showed Dragados 4.5 points lower at 119 per cent of nomiLONDON

Obstacles overcome by Boots

BETTER than expected results from Boots, the retail chemist chain, combated a vast array of inhibiting influences in London yesterday and left the FT Industrial Ordinary index 2.4 higher at

After a 24.5 per cent increase in first-half profits, Boots gained 10p to 171p af-ter touching 174p, while an excellent interim report from Extel, up 50p to 418p,

strengthened the equity sector. End of account factors, combined with a recent economic review challenging the Treasury's projections on recovery and a Confederation of British Industry warning on tax increases, stifled invest-

ment generally.

Profit-taking was evident in gilts, with shorts mixed and longs down by 1/4. Details, Page 33; Share Information Service, Pages 34-35.

THE ABSENCE of any positive factors unsettled early firmness in Hong Kong and sent prices lower, forcing a 10.22 drop in the Hang Seng index to 823.75. Turnover, at HK\$71.29m, was margi-

nally ahead of the previous half-day ses-Hutchison Whampoa shed 40 cents to

HK\$12.70, Jardine Matheson fell 20 cents to HK\$10.60 and Wheelock Marden lost 3 cents to HK\$2.82. Hongkong and Shanghai Bank was unchanged at HK\$6.90, Overseas Trust Bank slipped 10 cents to HK\$2.65, while Hang Seng surrendered 25 cent to HK\$35.25.

SOUTH AFRICA

LOCAL INSTITUTIONS stimulated Johannesburg gold mine stocks yesterday, despite a barely changed bullion price, with Buffels R.1.50 higher at R55 and Randfontein R2 firmer at R145.

Anglo-American put on 10 cents to R19.40 as the group declared first-half pre-tax profits of R349m against R322m and an identical 35-cent interim divi-





Banque Nationale de Paris p.l.c.

8-13 King William Street, London EC4P 4HS, Telephone: 01-626 5678, Telex: 883412 BNP LNB

BNP Group Head Office: 16 Boulevard des Italiens, 75009 Paris

DENMARK

NEW ZEALAND

Forestry is focus of frenzy

Continued from Page 31

Investors have also turned to the share market because of the Government's recently imposed interest rate limits. Mr Muldoon this month set a maximum of 11 per cent on all first mortgages, and 14 per cent for subsequent mortgages.

Some financial institutions have already quit mortgage lending. Many smaller lenders are reluctant to accept only 11 per cent, while others are likely to refuse to renew mortgages at the new rate. They are expected to turn to the stock market as a more profitable investment.

Wattie and Goodman, meanwhile, have no plans to seek more than the 24.9

Do you want to reach the top international financial specialists in European industry?

In mid 1982, the Financial Times, The Economist, and Euromoney commissioned Research Services Ltd. to conduct a study amongst these senior international financial specialists in order to discover what they read.

The published report is now available, and the results

For more information about this research, or the position of the FT in the European market place, please contact your local Financial Times representative or the Market Research

show that the publication most widely read by this prime target group was the Financial Times. By comparison, the table below shows the readership figures for some of the other 40 publications that were covered by the research.

Department of the Financial Times.

per cent holding in NZ Forest Products—the level at which they have to declare a formal takeover bid. They nonetheless believe forestry is the growth sector of the New Zealand economy and feel, as do many other market analysts, that NZ Forest Products shares are greatly undervalued. Some experts assess Forest Products' asset backing to be at least NZ\$12 a share.

The two food companies plan to establish a joint subsidiary, Dominion Industries, to hold the shares. Wattie and Goodman each hold a 35 per cent stake in each other. They also both own a large holding in many of New Zealand's leading companies. The forestry deal links seven of the largest market leaders in a loose affiliation through a major cross-shareholding network.

Wattie holds 24.9 per cent of one of New Zealand's largest export meat processing companies, Waitaki. Goodman holds 23 per cent of the TNL group, which is dominant in transport and tourism. NZ Forest Products itself has a 40 per cent holding in UEB Industries, one of the leading printing and packaging companies, which in turn has 26 per cent of the diversified Yates Corporation.

Over the past decade, Wattie – best

Follow the Leader

FAZ

IHT

TIME NEWSWEEK

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

FINANCIAL TIMES

NEUE ZURCHER ZEITUNG

WALL STREET JOURNAL BUSINESS WEEK

INSTITUTIONAL INVESTOR (INT.ED)

known for its canned foods - has acquired most of the leading food processing companies in New Zealand. Goodman controls 20 of the major bakeries as well as flour mills, a hosiery and biscuit factory.

Many NZ Forest Products sharehold-

Many NZ Forest Products shareholders were small investors, with 53,374 holding 1,000 shares or fewer. Many of these have now flowed to Wattie-Goodman. On Tuesday, when they reached their target, more than 1m shares were traded at NZ\$6.81. The mystery buyer, believed to be Caxton Paper Mill, continued bidding and picked up about 4 per cent of NZ Forest Products.

Much of the cash generated by the share transfers was immediately put back into the market, thus having a flow-on affect and pushing share prices in many other companies to new heights.

This activity, coupled with the interest rate excitement at New Zealand's resumed oil search and the interest rate ceiling, is certain to keep stocks heading upward for some time to come. In some respects the share market is the only sector showing an active and buoyant trend in the face of continued economic recession.

1 %	Jesing Prices)	Hav 24	Vern.	Nov. 24	Price Knr %	+ or	Nov. 24	Price Fig.	- Or	Nov. 24	Aust.		Nov. 24		T
AMIC	Stack		+ 49	Aarhus Olie	·		ACF Holding		0.5	ANZ Group	. 1,25	+0.54	# Kubato	304	+3
Abio	bi	. 2416		Rattica Skand	496	i	AKZO	85.4	+2.8	Altience Oil D Ampol Pet	1.9	· - 0,02 · +0,64 · +0,02	Musele Coromin	7,780	+2
AShar	rta Energy	. 1842	- ₩	CopHandelsbani D. Sukkerfab	624XI		ABN	559 144.5	+4	Aust Con s Ind	2.85	-0.05 -0.02	I Making Militar	1,330	L
Algor	22 Sheel	. 2544		Danske Bank East Asiatic	: 146	1 +1 -5	Reeders Cart	175.5	<u> </u>	Aust. Nat. Inda Aust. Paper	2.5	+0.95	Marubeni	270 610	-1
Bk M	longrad	. 28%	- 1/2	Forende Damo	. 188	:	Boskalis Westin	50.1	-1.9	Bond Hidgs	3,43	+0.11 +0.58	I M D management of the	17010	+10
Be3 (ova Scetia Carada	. 31%	+ 1/8	GNT Hidg	. 700	· — <u>1</u> 0	Caland Hidgs Credit Lyon'is Bk	36.7	-1.5	Brambles Inds Bridge Oil	5.15	+0.05	M'bishi Bank	500	+1
	berdier A Yelley			Movo Ind	3,185		Elsevier- NDU nv. Ennia	182	-2 +2	CRA	15,55 5.8			409	+1 -6
B.P.C	Canada Can A		- + 14	Privatbanken Provinsbanken Sir i #h (Fl)	285	-5 - - 2	Gist. Brocades Heinekan	146.5 124.6		CSR	. 3,65	+0.02	M'bishi Estate	244	+3 2
Breac	Torest	2.85	- 0.95 + 1/4	Sophus Borend., Superfos	. 933		Hoogovers	. 33.3	+0.1	Coles (G.J.)	. 4.52. : 3.82	+0.07	Mitsui Co	735	-2 -6
CLI	to Fairy	. 26%	-	ļ	. +00		int Muller	29.5	-0.3	Consolidated Per	2.95 0.66	+0.05	Mrtsukoshi NGK insulators	605	+4
Can (Cement			ITALY	I	į±	KLM Naarden Inti Nat Ned Cert	180	. +4.	LCORUMN		-0.05 +0.67	Nibon Cement	ZIU.	+4 -10
Cam 7	Jackesz Jackesz	. 261/1	- 44	Nov. 24	Price Lire		Ned. Credit Bank Ned Mid Bank	30,7 138.5	+0.1 -0.5	Elders IXL	4.23	+0.1	(Nippon Express.	272	
Cani	insice op Bank	. 31	- ¼ - ¼	Banca Com'le Bastogi-IRBS	27,200	—300 —8	Nedlloyd Oce Grinten	200	i0.5	Gen Prop Trust	2.08	0,05 0,62	Nippon Gakki Nippon Kokan Nippon Oli	136	-30
Can.	dian Pacific P. Est	. 2134	+ 1/2	Centrale	1 4 000	-16	Ommeren (Van).		. +0,6 0.3	Hardle (4.)	1		Mibbon Serko	612	. –8. . –9
Certin	iyes A ng O'Kits	. 224	+ 114	Fiat announce	48	1 —35	Pakhoed Philipa Rijn-Scheids	42.8	+0.1	Hartogen Energy Herald Wy Times	7 5,25	+0.05 +0.05	Nippon Steel	. 160	-1
Cennie	12	. 5742	_	Generale (Assict invest	184.200	+50	Rodemon	129.1	0.8 0.2	Jimbiana (50cFF Kia Ora Gold	0.22	+0.02	NIPPON YUSEN	6,290	+20
	Barlest A ca Resources	. 3.9		Montedison	. 42,606 212	895 5,7	Rolinco	199	74.9	Lend Lease	. 5, 14xc	+0.08 +0.12	Nissan Motor	715 395	+6 -5
Costa	io ion Mices	974		Montedison Olivetti Pirelli Co Pirelli Spa			Hoyai Gutch	244	+0.2	Mayne Nickless	2.85 1.25	-0.05		147	+3
	129	591/s 1474	- % - %	Snia BPD	1,225	' - 21	VMF Stork	114	+0.5	Myer Emp Nat Com Sk	1.9 2.8a	+0.7	i Omena Tataldi i	1.870	+20
Donne	Petroleum	4.25	- 8.05 + %	do. Pref	8,290	+40	West Utr Bank	99.5	-0.2	News Nicholas Kiwi	:	+0.2 +0.96	Pioneer	3,040	+10
) Dome		3014	+ 1/4	FRANCE				<u>'</u>	<u> </u>	North Bkn Hill	3.3		Ricoh	1,070	-67
Genst	Yleis	291/2		Nov. 24	Price Frs.	+ 01			٠.	Oakbridge Otter Exp)	0.55	-0.02 0.05	Sanigo Sanyo Elect Sapporo	476	-6 +1 +5
Gr We	st Life			Emprunt 4/% 187	1,874	;	NORWAY	_	. :	Pancon Pioneer Conc Reckitt & Coin	2.54	+0.02	Bekissi Prefab;	5.640	+170
Heark	Sid Con on's Bay	17%	- 14	Emprunt 7% 1976	3,085	+5	Nov. 24	Price Kroner	+	Repco	1,35	+0.1			
Hetik	7 09	10%	+ 1/6 + 3/9			+1 +7 +2	Bergens Bank	185		Southland Min'o.	0.26	+0.4	Shimadzu Snionogi Shiseido	783 1,090	_7
imp 0	ÑĀ	367/6	+ 42 + 44	BIC	2,670 1.510	-50 -20	Borregaard	155		Spargos Expl Thos, Natwide Tooth	0.37 2.1 4.8	+0.88	Stanley Stanley	748	+20
lodal.	r Pipe	12	=	Carrefour	.1,280 - 748	-13 +12	Den Norsk Gredit Elkem Norsk Data	247 105 250	+10	UMAL Cons	2,35 :	+0.05	Stomo Marine Stomo Metzi	225 152	_1
LAC	finerals 3 Bioedel	-	- + 1/8	CFAO	788	+11	Norsk Hydro Storebrand		+15	Vamgas	4.05 4.85	+0.05 +0.25 +0.1	Taisel Corp	220	+8
Mark	s & Spencer ey-Ferg	141/4	- 44 - 40	Coffmeg Creusot Loire	186 48,6	+2				Woodside Petrol. Woolworths	1.25 !	+0.1	Taisho Pharm	732	18 9
	pre Mares		+ %	Dumez	850	+8	SPAIN			Wormald Inti	2.98	-0.02	Tok	355	'—40 —á ~
Nous	Corp	55% 7%	- 44	Eaux (Cie Gen) Elf-Aquitzine Gen. Occidental.	1 400	_4	· .						Telkoku Oil Tokio Marine TBS	498. 706	-3 -9
Nerso	da Mines c Dil		÷%	Imetal	57.5 263.9	+1.5	Nov. 24	Pta2	+_0	HONG KONG			Tokyo Elect Pwr. Tokyo Gas	1,040	_20 _1
Noa	Alberta	6%	- 1/a	L'oreal	1.980	+25 +2	Bco Bilbao Bco Central	257 259	_1 _1	Nov. 24	Price '	+ or	Tokyo Sanyo	566 857	+1 -2
2 Salans	ned Pet nedice Pet	946	+ 3/s + 2	Matra	1085	-1 +85	Sco Exterior	217		Bank East Asia	19.6		Toppen Print	622	→1
Parison		32 2134	÷ %	Michelin B	1,350	+122	Boo Vizcaya	515	-1 -4.5	Carrian invest Cheung Kong China Light	0.67	-0.2	Toshiba	412 570	
	Corp Cars C Sturgest	17% 844	+ 1/s - 1/s	Moet-Hennessy Moulinex Nord Est	. 99.5 :	-0.5 +1.9	Hidrolaiberduero	46,5	+0.5 I	Hang Lung Devel. Hang Seng Bank.	1.00	-0.1 -0.25	Toshiba	631	-15
Spinger	r 02 Stephys A	1348	+ %	Dernad Ricard	725vr	+16	Petroleos	105 87.5	*****	HK Electric	6,25	-0.05	Victor Wacoal	6.00U	-10" +2
Rio Al	gom Beok	171/2	+ Va - Va	Petroles PB Peugeot-SA	154.5 209	+1		:		HK Land	6.9	0.051	Yamaha Yamanouchi Yamasaki	465	-15 +10
Rope	Trestce A		+ 1/0	Printemps Au	65 -• 155 i	-1 +2.7	SWEDEN			Hutchison Wos	19.7	-0.4	TACUCS FIFE	223:	
Seagra	## ## Ban Sears A	47%	+ 1/8	Poclain	413 1,030	19	Nov. 24	Price	+0	Jardine Math New World Dev	2.57	-0.2	Yokogawa	441	.+8
القبطي		23 % 29 %	- V4. + V3	Roussel-Uciat Schneider	85 85			Kronor	+10	Orient O'seas O'seas Trust Bk SKH Props	9 65	-0.1 -0.1	SINGAPORE		
Tech !	3 ,	1074	+ 74	Schnelder Sefimes Skis Rossignol Telemech Elect	1,520	+20	AGA	270 405	_10 <u> </u>	Swire Pac A	13.6	-0.1 -0.08	Nov. 24	Price	+0
Thems	o (Consda) pps: News A	3974 38	+ ¾ + ¾ - ¾	Thompson (CSF).	194.5 515	+0.7 +6.7			-1	Wheel'k Mitime World Int. Holdgs	1.6		Boustead Bhd	2.78	0.84
Transi	a Dose Basik ska A	21	+ 3/4	GERMANY			Boliden	392	+5				Cold Storage DBS Fraser & Noave	4.96 9.45	-0.04
Walle	Can. Pipe r Hicare	2844 2844	+ 1/4	Nov. 24	Price		Electrolux B	888		JAPAN	•		SERRING	6.1 4.68 2.24	+0.05
	aest Trans p (Geo)	15 80%			Dm.		Esseite (Free)	318	_2_				Keopel Shipward	3.56	0.06 0.04
A1=	MOLA.			AEG-Telef Allianz Vers	858 :	~ - 1	Me Och Domajo Pharmadia(Free).	349 1	+8	Nov. 24	Yen ;		Malay Benking	9.1	-0.1 +0.1
j	itria	٠_	. 1	Bayer	169.8;	+0.6	Seab Skania	289 320	+4 -10	Alinomoto Alps Electric	990 (2,430 (-5 +20	OCBC	10.9	+0.02
l _	Nov. 24	Price Sch%	+ <u>-</u>	Bayer-Hypo Bayer-Verein BHF-Bank	277	+0.5	Skandia	298	-6 +1	Asahi Chem	896 385	-4	WUD PRINCE AND ADDRESS	2.5	-0.06 -0.02
Cred	itanstalt	211	-1	Brown Boverii	420.5 817.7	-3 +2.7	SKF B	156 560 ,	. - 5	Asahi Glassj	568 570		Straits Trdg	5.45	-0.05
inter	unfall erbank	410		Commerzbank Conti Gummi.,	124.9		Swedish Match Volvo B (Free)	268 ! 418 :	===	Casio Comp	1,460		SOUTH AFRICA		
Perin Steyr	pooser Daimler	328 150	+3 -1	Daimier-Benz Degusse Demag	696 351,5 148 j	+8.5				Citizen	580 552	-5 +9		. 1	
Veite	cher Mag:	200		Demag D'sche Babcock Deutsche Bank	51b.5t		SWITZERLAND			Dai Nippen Ptg Daiwa House	876 525	-8 +5		Price Rand	+ 07
BELC	SIUM/LUX	EMBO	JRG	Dresdner Bank	169	-8 +1.5	Nov, 24	Prive .	<u>+</u> •• [Casio Comp. Chugai Pharm Citizen Qalei Dai Nippon Ptg Dai Napon Ptg Daiwa House Ebara Ebara Eisai Fanuc	555 1,300	+10	Abercom AE & Cl,	2.60 7.7	+0.2
	Nov. 24	Price	+ or	Hochtief Hoechst Hoesch Werks Holzmann(P)	181.3	-7 -0.7 -0.8	•	Frs.	 }	Full Sank Full Film	500	+10 -10	ABE & Ci Anglo Am Coal Anglo Am Corp Anglo Am Gold I Barclays Bank Rarclays Bank	28 . 19,4	+0.1
===	:	Frs.	-48	Holzmann(P)	414.5 188.7	-0.8	Aluspisse Bank Leu Brown Boveri Ciba Gelgy do. (Part Certs). Credit Suisse Elektrowatt	4,090	-10-	Fujitawa	901 :	ĝ	Angio Am Gold I Barclays Sank! Barlow Rand	22.0 16.25	-0.25 -0.1
Sang	Int A Lux	4,540 2 000	-48 -35 -50	Horten Kali und Salz Karstadt Kaufhof	199.5 297	+1.5	Ciba-Gelgy	2,280 1,815	. E. I	Green Cross'	.760 :		Buffels	55,0	-0.1 +1.5
Cock	ert B nt BR	190 .	i i	KHD	252 .	+1	Credit Suisse	2,145 2,815	±10	Hasegawa Helwa Real Est. Kitachi Hitachi Credit	621 815	-1	CNA Gallo	4,4	+ 0.1 + 0.08
Deiha EBES	3i 20	4,580; 2,280	60°	Kloeckner Krupp	38.2 68	+1.0	Genevoise	3,560	ı	HOROS 2	LUOU. 7 ·		De Seers Driefontein FS Geduid	54.25 40.0	+0.5 +0.5
Electi	robel	5,960	-70 I	Kioeckner	366.5 138.9	+2.5	Hoff-RochePtCts 9 Hoff-Roche 1/10.	9,950	<u> </u>	House Food	250	_ 5~ 1!	FS Geduid	4.7	+4
GB In	no BM	8,025	-45 +25 -10	MAN Mannesmann	152,3 123 ;	+0.8	lacobs Suchard. Islmoli Landis & Gyr	1,830; 1,830;	+50	to-Yokado	680 820		Nedbank	15.0	-8.0-
Interd	Ken	1,740	±20	Mannesmann Mercedes Hid Metaligeseli Muouch Rueck!	194.5	+1.5	Nestie	4,425 1 246	+105	itoh (C)	383 280	-lo	Protea Hidgs Rembrant Renmes	93. 0	1
Kredi Pan H	etbank	8,200, 9.150.	+60	Preussag	260 172.2	-0.5	Der-Buehrie Pirelii Sandoz (PtCts)	255 7.050	-20 -5 +50	Jusco Kajima Kao Soap Kashiyama Kirin	822 315	72	Rustenburg	11.75 6.2	+0.55
Petro Royal	fina c Belge ien. Beng ien, Belge	6,640 6,810	+60 I	Rosenthal Schering	288 278 :	TU.9 12	SCITTING ICT (PTC/CS):	410	10	Kashiyama	624	-5 i	mith (C.G)	23.50	+0.85_
Soc. G	en. Banq en, Belge	2,765. 1,615	-35 [5	iemens	382 .	O.6 I S	Swissair	917. 298	–ă. i	Kokuyo	845	-517	ongaat Huletts.	9.6	-0.3 -0.1

FINANCIAL TIMES CONFERENCES

Aviation in Asia and the Pacific Basin

Issues to be discussed:

- Civil aviation policy in Asia and the Pacific Basin regions; regulation, rationalisation and freedom of the skies: US/Japanese international aviation policies.
- Some of the speakers taking part: Mr J Y M Pillay

Singapore Airlines

Mr James B Leslie

Mr James & Lesile Qantas Airways Ltd

Mr Raghu Raj Air India

Mr Duncan R Y Bluck Cathay Pacific Airways Ltd

- Workable competition in the region; yield
- improvement
 Financing air transport
- Maintenance: how to keep the business in the region

Mr Hideo Mitsuhashi Secretary-General Orient Airlines Association

Mr Knut Hammarskjold Director General IATA

Mr Philip M Condit
Boeing Commercial Airplane Company
Mr Brian H Powe

Mr Brian H Rowe General Electric Co Aircraft Engine Group

Date and Venue:

16 and 17 January, 1984. Shangri-La Hotel, Singapore

The conference precedes the major Second Aerospace Exhibition at Changi International Airport being organised by ITF Pte Ltd., a subsidiary of Industrial and Trade Fairs International Ltd of the UK.

Tel:

Aviation in Asia and the Pacific Basin

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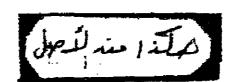
A FINANCIAL TIMES CONFERENCE

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Infestr	uals.		1275.61	127	5.81	1258.8	1251.	1254	87			(3 9 /8]	1275.81 22/11/63	41.22 (2/1/23)	
Transp	get		607.53	612	157	699.4	596.8	4 599.	36	612.57 (22/11)		1.24 (1)	612.57 7271VIS	12.23 (8/7/32)	
Ųdini		ı	137.72	136	.25	136.71	136.71 137.3		138.1 148 (21/1			1.46 /1)	163.32 (2) 48	(S) 4(3) (B) 65	
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	1_				Nov 18			Nov 22		Nov 4		ŗ	ber Age A	(P)rest)	
					4.48			4.45		4.58		F	5.31		
STANDARD AND PRORS															
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Industrials 187.7		187.7	187	7,45	186.72	185.66	146.97		93.22 02/6)	154. (2		193.22 (2) 5/13	3.52 QW \$/20		
Comp	usite		165.55	191	.84	166.85	165.85	166.12		76.59 (2) (1)	138. (3/		179.99 (2) 683	4.4 (V 6/32)	
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ice div y inst. P/E			*****			3.97 14.37		4.81		3.95		l	4.63		
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rly.s.e	VIT C	148484								,205	3 AH) FA	LS	· · · ·	
Nov	Nov	Nov	Nor	L		983	_ :				E er 2	•	Nor 23	Bay 22	
24	23	22	21	_	<u> </u>	10r		130es Tra 158s	ded				2014 798	2818- 953	
	-		-		2. 62 /6	79.7 [24]	i F	echacya achacya	 7			-	327 328	962 363	
MONTH	AL			,		Hor	Hov	Box	T			19	83		
					4	23	22	21 21	İ	I	ligh		U		
		etrek Kasa			.82 .81	420.54	435.48 419.8	433.A 417.3			M 5/5			24/U 45/5	
TURONT	TORONTO Domposite 2479.8 2479.4 2478.8 2451.5 2598.2(26/9) 1949.8(4/1)														

AUSTRALIA All Ord, (1/1/88) Metals & Minis. (1/1/88) AUSTRIA Credit Aiktien(2/1/82)	755.2 550.4	7 <u>92.9</u> 516.5	717.5 510.1	718.1 511.0	786,7 (12/9)	487,8 (4/8)
Credit Alktien(2/1/62)	E			G1 PR 5	614.2 (5/8)	411.0 (411)
	1 174,85	54.87	54.27		59.8 (5.6)	48,48 (15/2
BELGIUM Belgian SE (81/12/68)	185,44	125.95	126.75	126,58	184,48 (1/8)	100,50 (4/1)
DENMARK Copenhagen SE (i/145)	(à)	195,98	195.86	197,61	204,22 (75/9)	106.00 (3/
FRANCE CAC General (61/12/62) nd Tendance, (61/12/62)	148.7 158.6	747.5 158,6	746.6 155.9	144.8 154,8	148.7 (24/17) 158.6 (28/11)	96.1 (&r) 88.9 (&r)
GERMANY FAZ-Aktion (51/12/55) Commerzbank (Dec 1963	542,99 18 18,5	340,79 1012,8	558.05 1995.3	08.888 2.698	545.83 (17/11) 7021.8 (17/11)	241,88 (25/1 227,8 (25/1
HONG KONG Hang Seng Bank (\$1/1/84)	825.75	855.97	836.97	837.16	1102.64 (2T/2)	080,88 (4r
ITALY Banca Comm Ital. (1972)	195.95	194,54	182,46	180,51	214,95 (21/5)	160.45 (10;
JAPAN**	8575.54 968.08	(0)	· ·		9568,25 (12/10) 939,50 (7/10)	7803,18 (25) 674,51 (25)
NETHERLANDS ANP-CBS General (1870) ANP-CBS (Indust (1978)	142.5 T12.9	141.5 112.8	140,8 115,2	7 38. 3	244.8 (11/10) 118.4 (18/10)	100,1 (4/) 85,5 (4/)
NORWAY Oslo SE (41/88)	197.68	196,24	184.65	192.89	217.60 (10/10)	98,01 (4/7
SINGAPORE Straits Times (1968)	942.05	950,D6		855,88	982.62 (25/6)	712,29 (5/1
SOUTH AFRICA. Gold (1958) Industrial (1958)	(u)	787,1 898.8	726,8 895,5	. 715.5 i	1099,5 (1/2) 988.7 (28/6)	981,4 (1/11 784.8 (5/1
SPAIN Madrid SE (51/12/62)	124,57	184,48	125,50	(c)	129,14 (10/11)	88,32 (11/1
SWEDEN Jacobson & P. (1/156)	1465,00	1457,48	1476,79	1476.55	1528,60 (6/9)	896;16 (3/1
SWITZERLAND SwissBankCpn; (61/12/58)	557.4	856.5	:855.1	£.535	857,4 (24/11 ₁	294,4 (4/1)
WORLD Capital Intl. (1/1/78)	_:	181,1	180.5	188,2	185.8 (14/10)	164,5 (5/1

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Better-than-expected Boots' figures help equities

Further profit-taking in Gilts

want of support. It was not until Boots' impressive figures were amounced that other leaders showed signs of life by rallying in sympathy. The tone there-after remained quietly firm. The

able circular.

Wednesday's quietly dull tone in glits was repeated yesterday with quotations easing on further sporadic bouts of profit-taking land responded to mid-ter in the absence of fresh support. Falls to i were soon recorded at the longer-end before a modest rally had-clipped these by an i or so by the "House" lifted French Keir 5i to 110 close. However, publication after-hours of the disappointing bid approach to a major shar visible October trade deficit of holder sparked off strength

prices recovered as the day progressed and the closing tone was firmer for choice. Barelays ended unaltered at 470p, after 450p, while Lloyds closed 8 Spesicer, 220p, British Home, dearer at 528p, after 518p. Mid-29p, and Burton, 385p, the last-land hardened 2 to 430p, after mentioned continuing to benefit 420p, Elsewhere, partly in sympathy with the recent rise of figures and proposed scrip issue. Previous day's decline of 5 that Atlantic Computer and on buying Speculative demand resulted in followed news of the cancelled

EQUITY GROUPS

& SUB-SECTIONS

showed signs of life by rallying in sympathy. The tone thereafter remained quietly firm. The financial Times Industrial Ordinary share index recovered from an 11 am fall of 11 to post Bell gave up a couple of pence a rise of 2.4 at 726.8 by the close. Of the other constituents, Electrical major Plessey advanced following a broker's visit to the revision of a broker's profits company and GEC also gained ground after a broker's favourable circular.

Wednesday's quietly dull tone in glits was repeated vesterday.

The tone there-spirits turned easier with Distillers, firm of late on the reliance of Label, easing 3 to 234p. Arthur Bell gave up a couple of pence to 138p with the 9½ per cent Convertible 5 points lower at 168. Among Ciders, an upward forceast stimulated support of Menydown Wine, 25 better at 375p; the first-half results are scheduled for December 5.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the institute of Actuaries and the Faculty of Actuaries

Thur Nov 24 1983

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	Nov.	Nov. 1	Mov.	Mov. 21	Nov. IB	Nov. 17	ago year
Sovernment Secs	85.10	85,19	83,46	85.25	83,15	83,14	79,85
bood Interest	86,01	86,07	85,17	66,00	85,77	85,59	85,27
novetrial Ord		794.4				721,8	
Sold Mines	501,8					493,0	
Ord, Div. Yield	4.52		4,61		4,72		
Earnings, Ykl 🏖 (full)			_	9,79			
PÆ)Ratio (net) (*)			-	12,46			
l'otal bargains							
Equity turnover £m.		222.00					
Equity bargains		15,747					
Stares traded (mi)		188,0	144,6	118,9	144,0	159.0	149,3
70 am 724 Basis 100 Govr. Gold Mines 12/1/58.	Secs. SE Acti	m 728,4. 18/1/28, wity 1974 at Index	3 pm Fixed	725.8. Int. 19	-		1/7/35.
• • • • • • • • • • • • • • • • • • • •							
HIGHS A	IND	LOWS	; .	S.E.	ACT	IVITY	•

Banks dip & rally group saw Amersham slip to 18 to 353p. Elsewhere, reports the warning by the OECD of 215p before settling a net 5 of an analysts' meeting in Hong another world banking crisis up down at 217p. Kong, prompted a gain of 12 to settled the major clearing banks. The excellent first-half per 167p in BSR. Phicom were the major clearing banks formance from Boots failed to quoted ex rights at 30p with the

Tues Mor Mor Nor 22 21

Index Index Index Index Index Index Index

Fri Nor 18

brand cigarettes introduced earlier this year. Renewed speculative support pushed Meat Trade Suppliers up 6 more to \$2p, but higher interim profits failed to excite Argyll, which eased a couple of persect to \$40p. Elsewhere, Bio-Isolates came under fresh pressure and slipped

Half-year results well above

a save or its Canadian interests; advanced afresh to 232p before settling 5 dearer on balance at 238p. Glaze edged up 7 to 752p. at 238p. at 259p. din response to good interim results, while Applied Computer moved up 25 to 485p on overseases moved up 25 to 485p on overseases under the Applied Computer moved up 25 to 485p on overseases under the Applied Computer such a computer. Steeklake rose 10 to 165p in a limited market, but at 110p on the increased interim loss. Comment on the half-year at 110p on the increased interim loss. Comment on the half-year for Johnson and Matthey, which improved 7 more to 225p, while satisfactory trading news left Frewell Duffryn 4 to the good at 230p, after 253p. Panls and Whites, an old take-over chest-nut, gained 5 to 265p, but profit-ratio white satisfactory trading news at 4 down at 38p. Thermal Syndicate were lowered a similar amount to 38p in an effort to find a trading level. Falls of 4 were also marked against Hanson Trust, 235p, and British Aerospace, 199p, but Diploms improved 5 to 225p ahead of next Tuesday's preliminary statement. Norten and Opax pleased with increased interim profits and the price rose to 118p. Other leisure improved a to 25p following the special meeting in the price rose to 118p. Other leisure improved a like amount to 36p in an effort to find a trading level. Falls of 4 were also marked against Hanson trading level. Falls of 4 were also marked against Hanson to 36p in an effort to find a trading level. Falls of 4 were also marked against Hanson trading level. Falls of 4 were also marked against Hanson the find the proved to 15p. Other leisure improved by the profit level. The proved in the first move of the proved i

after 43p, but occasional taking brought Wednes-high-frier Morland Securi-

Golds up again

The closure of U.S. markets for the Thanksgiving holiday had the usual effect on nietrnation-

interest in thin trading.

Heavyweights generally made modest progress although particular interest was shown in Hartebeest, almost a point firmer at \$43, and Free State Geduld and Western Holdings, which added a priore at \$22 and \$27 and added } apiece at £221 and £271

Trust recorded 128 calls, 100 o which were struck in the Decem ber 240's, Puts totalled 497 with 100 done in Imperial Group's May 120s.

ings ings tion ment Nov 21 Dec 2 Feb 22 Mar 1 Dec 5 Dec 16 Mar 8 Mar 1

RISES AND FALLS

was done in Sun Oil Royalties

RECENT ISSUES .

	EU		ie	•								
7	lique prios	Amount paid up	Renuno.	19 High	63 Low	l Stock	Olosing	i : '+_er; :	Net Div.	Dovered	Gross Yield	Ratio
Total Land	1180 1195 5435 9105 970 1205 971 154 1917 1918 1918 1918 1918 1918 1918 1918		22:11 13:12 13:12 28:10 28:10 28:10 30:11 14:12 25:11 16:12 25:11 15:12 25:11 16:12 21:12 16:12 21:11 16:12 21:11 16:12	1226 2260 2260 108 95 108 305 546 127 946 127 946 127 946 127 946 127 129 129 129 129 129 129 129 129 129 129	103 1178 1178 1178 1155 177 787 290 62 1180 44 226 871 2154 971 2154 100 100 100 100 100 100 100 100 100 10	*A & M. Hire 10p **Acorn Computer 1p. **Acorn Computer 1p. **Aspinal Hidgs 10 p. **Brit. Petroleum **Committee 10p **FrederstedHouse 5p **FrederstedHouse 5p **FrederstedHouse 5p **FrederstedHouse 10p **Committee 10p **Committee 10p **Committee 10p **Committee 10p **Mainmet Hidgs 10p **Mainmet Hidgs 10p **Mainmet Hidgs 10p **Protimeter 5p **Protimeter 5p **Protimeter 5p **Telsmetrix 5p **Telsme	118 163 176 177 777 108 890 62 80 1122 80 69 996 350 109 109 28 23 28 28 28 28 28 28 28 28 28 28 28 28 28	-2 +6 -2 -4 +5	53.0.25 53.1.8 53.1.8 53.1.8 54.3.9 52.4.5 50.3.9 5	3.79 2.48 2.60 3.67 3.67 3.67 3.67 3.67 3.67 3.67 3.67	27 450116756886 45566940 404123066	23.1 14.6 11.5 15.5 17.0 7.1 10.4 11.0 11.0 11.0 11.0 11.0 11.0 11
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issue price ;		Renuno.	198 High		i Stock	Closing price	+
99.714 97.868 1100p	225 F.P. F.P. £30 £30 £30 £10 F.P.	2:1 :25:11 :6:1 26:4 :25:1 :9:12 :10:11	301g 12 105 1061gp: 323g 297g 3634p 351g 114 1004e	251, 111, 103 96, 30 25, 25, 301, 11, 997,	Ailled-Lyons 11 ¹ 4% Deb 2009 "Australia 11 ls pc. Ln. 2015. "Bristol Waterworks 6.5% Red. Prf. 1988 Crosby Hse. 15 ⁵ 4pc. Ln. '87/90 Fisher 'A.J. '7½ Cnv. Prf int. Bk. for Rec. & Dev. 11.5% Ln. 2005 Freiand 12½ 2008 J.ASMO 95% Cum Red Pref. 1.ASMO 95% Cum Red Pref. 1.ASMO 95% Cum Red Pref. 2.Lon. Shop Prop. 9pc Cnv. 94/89 Ser II. Wid Kent Wtr. 12pc. Red Deb. 1993 Shatlonwide 10½% Bds. 8/10/84	12 103 966 32,7 29,2 3654 3654 11 1004	
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,100	F.P.		_ 1	00%	997	Mid Kent Wu Nationwide i	O(含为 Bds.	. 8:10:84	

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NEW HIGHS (73)

BITTISH FUND (1)

EXCH Spc 1984

INT BANK & O'SEAS GOVT

STLG ISSUES (2)

Euro Inv 8k 11pc Int.Am Dev 8k

Ln 2002

CORPORATION LOANS (1)

Bath 113pc 1985

CAMBERICANS (7)

Crown Zellerbach Quaker Oats

Dana Corp Transamerica

Batton Corp

Pacific Ges & Elect

CANADIANS (1)

Bell Canada

BANKS (5)

Joseph (Leo) Westpac

Nat Comm Bk Aust Urd Leasing

Schroders

BülleDings (4)

Franch Refer

Jennings Inds Notts Brick
Bayer AG Scot Agricultural
Bayer AG Storks (1)
Stirling Group
ELECTRICALS (1)
Real Time Control
Black & Decker Cooper (Fr)
Castings FOODS (2)
Fisher (A.)
INDUSTRIALS (15)
Amber Ind'! Low & Bonar
BB & EA Roite & Notan
Brit Syphon Sherling Inds
Bith Frop Stocklake
Copydest ThT
Emhart Corp Fatel
Emhart Corp Trafalgar House
Fatel Turser & Newall Fisher (A.)
Amber Ind'i
BB & EA
Brit Syphon
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KLP Waddington (J.)

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Samuel Props

Sock Conversion

TRUSTS (7)

City & Comm Cas

Truspis (7)

Waddington (J.)

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Sock Conversion

Truspis (7)

Truspis (7

NEW LOWS (19) BRITISH FUNDS (1)
Conversion 10 Lapt 1999
BREWERS (2)
Forshaws Burtonwood Greene King
BUILDINGS (3)
Barratt Dows
Newputhill
Burnett & Hallame Burnatt Dows
Serratt Dows
Serratt Dows
Serratt Amiliams
CHEMICALS (1)
Amersham Inti
ELECTRICALS (2)
HB Elect Comps Racal Elect
ENGINEERING (2)
Camsaal
Weir

Camseal FOODS (1)
Bio-Isolates INDUSTRIALS (1)
Lon & Liverpool Trust
Ceers Gross PAPER (1)
Whitington Int' TRUSTS (1)
North Sea Acsets OILS (1)
KCA Drilling MINES (2)
Kalbara Mining Samson Expla FOODS (1)

| No. | Change | China | Section | No. | N 1 CAPITAL GROUP (203) 2 Birliding Materials (24) 3 Contracting, Construction (29) 4 Electricals (38) 5 Engineering, Constructors (10) 6 Metals and Metal Forming (9) 9 Brotors (10) 10 Other Industrial Materials (16) 21 Grees and Distillers (23) 22 Food Manufacturing (22) 25 Food Retailing (15) Jan, Apr. July Jan. Apr. July CONSTRUCT STATES CO. S **EUROPEAN OPTIONS EXCHANGE** 46 15 36 7 5 8 7 2 50 4 22 10.10 80 47 51 28 49 16 21 7.50 5 4.80 5.50 17 18 Courtaulds (* 108) 76 86 90 96 100 Dec. March June 1 1.10 A 1 1.45 \$8.52 - 1 0.90 A 2 40 0.15 5 0.33 2 20 0.10 40 0.20 2 10 0.05 3 0.15 2 - 25 0.50 2 - 20 1.05 2 Commercial Union (*180) 140 43 46 50 1 2 4 150 24 26 32 3 6 9 180 10 14 10 10 16 19 200 4 6 9 24 29 32 G.E.C. (*196) 180 200 290 240 LC.L. (*604) 450 500 560 600 650 Option FIXED INTEREST | 1545| | 155 | 156 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 157 | 15 rd adj. rd adj. 1983 to date 2 Coupers. 2 Mag. 1 Hollan Govern Low Coupers. 3 Michael Coupers. 5 Coupers. 5 Coupers. 6 12.84 7 High Coupers. 7 12.54 8 9 irreducemble 11.65 11 Bate & Los \$70 18.27 18.48 13.15 11.54 11.30 11.30 11.30 11.30 11.37 10.46 Ther Duy's Wed Nov change Nov 24 1,60 1,75 1,66 10,55 10,56 10,75 10,75 1,75 1,75 1,75 9.63 9.67 9.64 19.59 19.59 11.62 19.69 10.89 9.66 Bass (*313) 300 330 -0.01 | 117.72 | 117.7R 133.26 -8.10 133.39 2 5-15 mars... Over 15 years ____ 92 343.55 -125 J16.86 _ | 151.44 4 Irredeembles 153.66 11.65 11 Belor & Lotes 5 years... 9.92 12 15 years... 25 years... 5 At Shele ____ 131.21 1152 1147 1153 1159 1146 1133 1149 1146 1232 -0.10 | 151.34 6 Manusconfluor. 167.82 -0.23 199.87

A=Ask B=Bid C=Call

LONDON TRADED OPTIONS Nov. Feb. May Nov. Feb. May P. & O. (*248) 200 240 240 260 Racai (*185) 180 200 220 230 R.T.Z. (*574) 483 500 535 550 583 500 CALLS PUTS
Dec. Mar. Jun. Dec. Mar. Jun. Bescham (*318) 300 330 355 | 25 | 33 | 43 | 8 | 12 | 18 | 6 | 14 | 24 | 28 | 32 | 37 De Beers (*8725) 700 750 800 850 Hanson (*236) 200 220 240 Tesco (*162) 160 150 9 14 20 5 8 11 2 6 10 22 24 27 Nov. 24. Total Contracts 1,455 Calls 958. Puts 497 Underlying security price,

Price + er Bfc | G'm Gr's P/E

*237 [123 | #Webber El. 12/51 | 237 | 51 | 34 | Wish, Select 200 | 39 | 95 | 53 | Whitester Fig 10p. 245

34			
FOR PORT	CI.	OTE 1 =	
1983 Night Law	SRITISH	Price + or	Yield at. Red.
"Shorts 9011 954 Fun 1014 99: 52 1044 1001; Exc 974 977 Exc 1021 1001; Tre 107 1104; Tre 107 1104; Tre	(Lives up 114,50: 32-84; h 114,50: 1964; h 350: 1964; ssur- 125: 1965; h 125: Cnv. 36. 1975; sur- 115: 1975; sur- 1175: 1975; sur- 1175; sur- 1175	to Five Y	ears) 5553 9 120 9 3.69 9 3.69 8 1.75 9 4.22 10 1.23 10 1.28 10

Over Fifteen Years Over Fifteen Years

(Tressury Olgo: 1999: 1144; -14, 10.01 10.15

(Exch. 1/2(pc 1999 ... 1144; -14, 10.35 10.63

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(Tress. 130c 2000 ... 1234; -14, 10.96 10.96

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INT. BANK AND O'SEAS

CORPORATION LOANS 101:4 +1:4 103:01 105:4 11 100:1 100 11 11 10.50 12 14 10.28 12 15 10.28 12 15 10.98 13 16 16.98 13 16 16.98 17 70 10.88 11 70 10.88 11 70 10.88 11 70 10.88 11 70 10.88 12 194 10 43 564 10.78 849 10.78 849 10.78 849 10.78 849 11.97 11 90 9.66 Bath 114pt 1985...

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Sanderland 124pt 1984. **COMMONWEALTH AND**

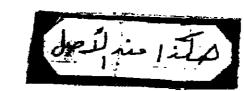
AFRICAN LOANS 84 + 4 8 94 10.63 911-24 + 4 8 16 11.18 180 82 4.29 14 90 54 4.29 14 20 340 15 70 Public Board and Ind. 75 [+l₂ | 6.85 | 11.66 36¹/₄ [-l₂ | 8.31 | 11.08

LOANS—continued Financial Index-Linked | 1034 | -1 | 3.15 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | 1055 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | -1 | 3.17 | (2) 3 60 3 36 2 95 3 17 3 12 3 84 3 60

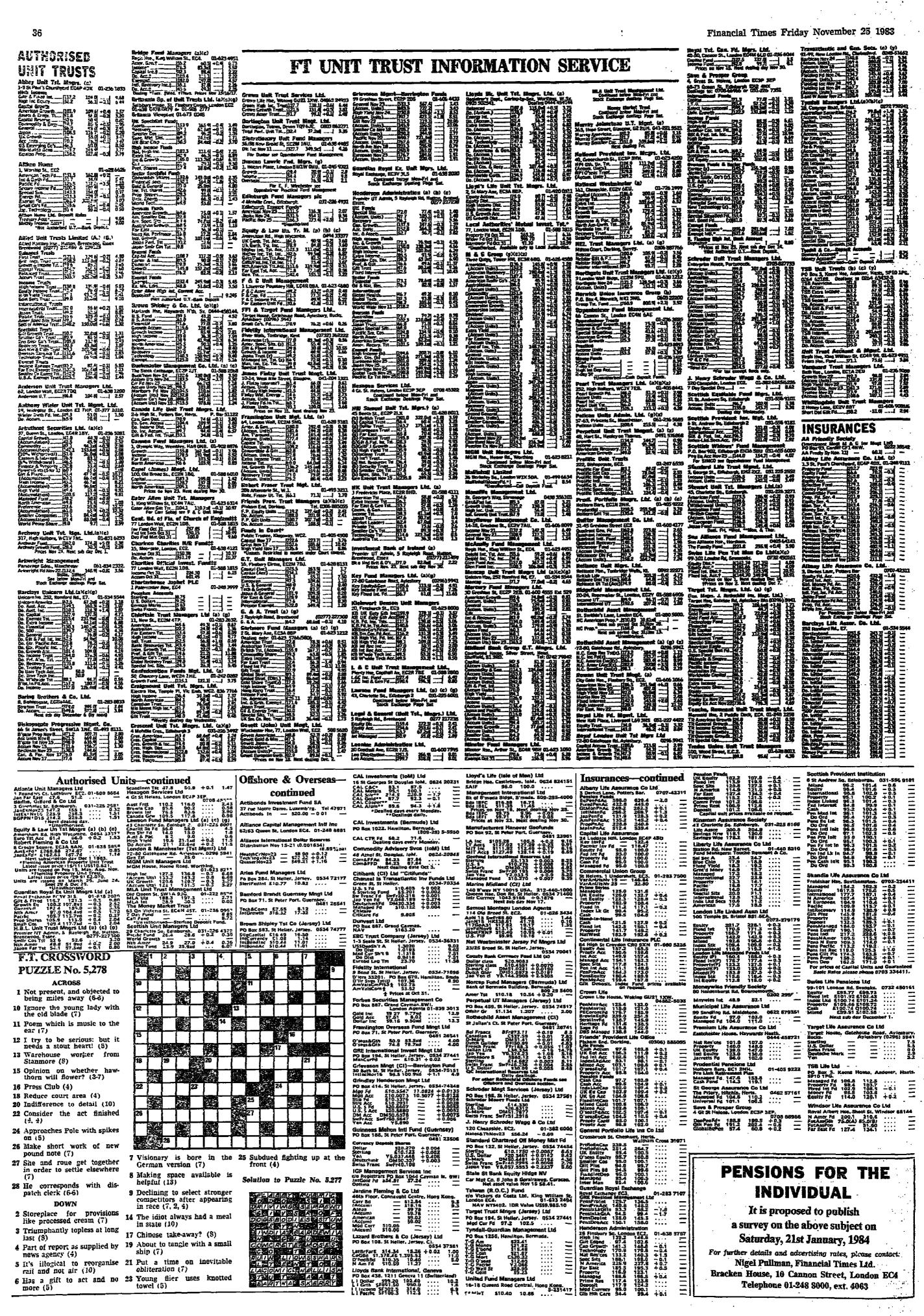
WHATHAVE MEYER INTERNATIONAL HABITAT/MOTHERCARE, AUSTIN REED GROUP AND PIRELLI & CO. **ALL GOTIN COMMON?** They are all newcomers to the Financial Times European Top 500 Companies survey. Full details of the results of this the second in the annual series are available as a reprinted book. FOR FURTHER INFORMATION PLEASE CONTACT **NICOLA BANHAM** PUBLICITY DEPARTMENT, FINANCIALTIMES, BRACKEN HOUSE, 10 CANNON STREET, LONDON EC4P 4BY TELEPHONE:01-2488000

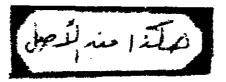
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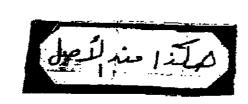
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Financial Times Friday November 25 1983 INDUSTRIALS—Continued LEISURE—Continued







Financial Times Friday November 25 1983 INSURANCE & OVERSEAS MANAGED FUNDS INSURANCE & OVERSEAS MANAGED FUNDS. | 1911 | Series | Ser

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COMMODITIES AND AGRICULTURE

UK wheat and barley exports fall

By John Cherrington

BRITAIN'S wheat exports are languishing after a near record

Some 233,000 tonnes of wheat had been exported up to November 11, against 575,000 tonnes in the same period last

Bariey exports are also down but not to the same extent. This has kept the price of wheat down to the levels reached in early September, but is has done little to reduce the exportable wheat surplus which this year is calculated to be 2.7m

One problem is that because of the strength of sterling, British wheat is expensive compared with French and German grain. There are also quality problems, with reports that UK wheat cargoes have been rejected in at least one market.

intervention stores could well be a destination for UK wheat if exports continue to flag. So far, no feed wheat and very little barley has been consigned in that direction, but some undoubtedly will be before long,

Meat output set to rise

TOTAL MEAT and poultry production in selected major pro-ducing nations will rise to 105.6m tonnes next year from 104.9m this year, the U.S. agri-culture department said.

It forecasts beef and veal output in 49 countries at 40.08m tonnes, down from 40.35m tonnes, expected this year.
Beef output is expected to decline in the U.S., Canada, Uruguay, Australia and New Zealand, while a rise is predicted in the Soviet Union dicted in the Soviet Union, Argentina, and in east and stern Europe.

PRICE CHANGES

Nov. 24 1983

Firmness in the physical market caused gas oil to rise steadily through the day after opening a shede weaker.

Crude oil also himed, gaining support from the physical market and the steadier gas oil, reports Premier

LONDON OIL

SPOT PRICES

CRUDE OIL—FOS (5 per barrel)

Premium gasoline ...251-286: —4.0 Gas oil243-253: -1.0 Heavy fuel oil 155-167: —

GOLD MARKETS

Gold fell Si an ounce from Wednesday's close in the London

for Thanksgiving Day.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar was fixed at \$375.75 from \$375.90.

EUROPEAN MARKETS

PRODUCTS—North West Europe May
CIF is per tonne) June
July
July

in tonnes unless stated otherwise

Free Mkt...

Iran in record NZ lamb deal

IRAN will buy 140,000 tonnes prices in Britain and other of New Zealand lamb this season markets will increase because of in a deal which could be worth the Iran contract. It also NZ\$400m (£180m).

New Zealand's second biggest customer for lamb. There are political undertones to the deal. Teh Iranian delegation referred particularly in a public statement to Iran's appreciation of New Zealandos refusal to join the U.S.-led trade boycott of Iran.

The Iranian negotiators said: The Iranian authorities appreciate the position taken by the New Zealand Government and the Meat Board in respect of the Iranian Islamic revolution. It especially appreciates New Zealand's refusal to join the econo-mic boycott of Iran."

There was a close understanding between the two countries.
International bodies in both Iran and New Zealand wished to further expand trade and economic co-operation not only in meat but also in other commodities. Signing the deal so early in

removes any possibility of pres-The sale is a record to Iran sure on cold store facilities, and confirms Iran's position as The meat, which will be killed according to Moslem religious rights will start going to Iran before Christmas.

> New Zealand expects to produce about 420,000 tonnes of export lamb this season. Shipments to Britain and the EEC countries are limited to 245,500 and the Meat Board expects to fill this quota. The Iranian purchase is at least 20,000 tonnes more than last season.

> The deal will be paid for in cash. Iranian representatives recall that two years ago the meat contract was based on a barter agreement of oil for lamb with New Zealand being paid for its lamb from the proceeds of oil shipments sold through a third party.

Iran's economy has improved and it is no longer interested in barter contracts. It is the first time negotiations have been held in Wellington. The talks the season is a big boost for the held in Wellington. The Meat Board, which believes lasted more than a week.

Xmas tree demand rises

than 1m Christmas trees this year because of increased demand for natural trees, says the British Christmas Tree

Growers' Association. Major-General T. Richardson, secretary of the association, says there has been a move away from artificial Christmas trees in the past three years. Demand last year was for between 3.5m and 4m trees and is expected to be about the same or higher this Christmas. Most of the imported trees

+5 2660

† Unquoted. u Dec. v Jan. x Dec-Jan. y Nov-Dec. † Per 76 to flask. • Ghana cocoa. n Nominal. c Cents

CRUDE OIL FUTURES

Turnover: 169 (163) lots of 1,000 barrels.

Nov. 243.50 + 5.00 243.50.40.75

Dec. 246.50 + 2.76 246.50.43.56

Jan. 246.00 + 2.50 246.00.43.25

Feb. 248.75 + 2.80 244.00.41.50

May. 235.25 + 1.75 245.50.63.50

May. 235.25 - 2.25 253.50.35.00

June. 233.50 - 1.60 250.00

Turnover: 1.749 (2.25) tots of 100

(\$374.36 per ounce) in the afternoon compared with FFr 99,500 (\$375.75) in the more-

\$ per troy

Nov. 23

Latest - GAS OIL FUTURES

to the metal between a high of \$375-375; and traded between a high of \$375-375; and traded a low of \$3741-375;. Trading was extremely quiet and featureless with the closure of U.S. centres for Thanksgiving Day.

In Luxembourg the

3751 from \$3751-376.

In Paris the 121 kilo bar was Tumover: 248 (375) lots of 100 troy fixed at FFr 99,100 per kilo ounces.

Gold and Platinum Coins Nov. 24

EUROPEAN MARKE IS

ROTTERDAM, Nov 24.

Wheat—(U.S. S per tonne): U.S. two red winter Jan 155 50, Feb 197.50, Mar 158.50. April 150 U.S. two narthern spring 14 per tent protein Dec 185.50, April 150 U.S. two narthern spring 189. Feb 189.50, Mar 189.50, April 189. So, Mar 189. So

Yest days + or Business close - Done

\$ U.S. per br! 28.64 +0.14 28.64-28.55 28.69 +0.16 28.59-22.45 28.50 +0.21 28.50-28.30

Yest day's + or Business close - Done

the association warns that quality might not be as high as home grown trees because of the time they have spent being shipped here and stored.

members to mark their trees with labels showing that they are home grown and should therefore, be fresh.

Christmas trees are expected

BRITISH COMMODITY PRICES =

NICKEL

SILVER

COCOA

COCOA

COFFEE

GRAINS

NICKEL

Aluminium | advances strongly

By John Edwards, Commodities Editor

Exchange yesterday following a surge of speculative buying

interest.
The three months quotation jumped by £24.75 to £1,074.75 a tonne, closing near the high of

Traders said that speculative interest in aluminium was revived by the recent firm trend in copper and prices breaking through a significant chart buying point. Lead, nickel and zinc moved

up in sympathy with aluminium, but copper was hit by some heavy selling by a major com-mission house in the afternoon that eroded the earlier gains. © U.S. FOOD prices remained stable in October and are expected to remain so for several months, the agriculture department said.

output in September fell to 286,585 tonnes, from 293,908 tonnes in August and 375,844 in September last year. • FUTURES trading in silver

• MALAYSIAN crude palm oil

and platinum is likely to start from late January on the Tokyo gold exchange, exchange officials

■ THE Association of tin producing Countries will hold its next executive council meeting in the Malaysian tin-mining town of Ipoh from January 9 to January 11. MALAYSIA raised total ex-

port duty on most grades of rubber to 22‡ cents a kilo from

22). • SOME SOUTH African is: ports of U.S. maize have been declared unfit for human consumption, because they cotnain unacceptable levels of Aflatoxin, which is produced by a fungus, health and agriculture officials said. The amount affected was not reversed, but trade sources said the amount was not large or

Case for seeking self-sufficiency in the developing countries

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

APOLOGISTS FOR the excesses own food. It also created an their new found freedom ALUMINIUM values advanced of both production and costs urban proletariat for whom requires the purchase of the Common Agricultural little work could be found. This modern weaponry to sustain it.

Policy are quick to point to process is still going on.

Or indeed the installation of a Policy are quick to point to process is still going on. world hunger and increasing populations as a justification for the burden which the CAP places on almost everyone who is not a farmer.

But this attitude is pretty hypocritical to say the least. There is no doubt that the developed countries of the West are responsible to a degree for much of the present situation.

Up to now the results of apply-ing technology have not always been in the best interests of the people on which it was imposed. Previously, most developing world farming was for self sufficlency. It was most inefficient by modern standards, and involved a great waste of land

Then came plantation farming coffee, rubber, sugar, tea and so on. This destroyed the older, more inefficient types of farming, but at the same time, it created a rural prole-

time, it created a rural prole-tariat often dependent on buy-ing, rather than growing their governments are persuaded that not live by bread alone.

But for how long will this sys-tem be acceptable? Man does ing their governments are persuaded that not live by bread alone.

and Agriculture Organisation has resolved at a meeting in

Rome to set up an international agreement aimed at giving

developing countries free access to plant breeding research.

A resolution, proposed on Wednesday by Mexico but which has no binding force, called on nations to colaborate

closely in the exploration, pro-

tection, evaluation and use of

plant genetic resources.

I am convinced the prime

cause of the problem is the legacy of colonialist exploita-tion, but it is being compounded by the governments of many of these countries themselves. Very few of them lack within their boundaries the resources at least to feed and clothe their people. Such areas as the Sahei are not representative of the whole. In some, the advent of freedom has meant a decline in their own food production particularly in Africa. Several have to import foods which were once

One cause has been the replacement of plantation type farms by smallholdings. One can applaud the social idealism of the smallholding principle, but after visiting examples in a great many countries where they have been established it appears that they do reduce overall food production.

exported.

THE UNITED NATIONS Food two years ago following accusa-and Agriculture Organisation tions by developing countries FAO officials said the resolu-

tions by developing countries that richer nations exploit their

The U.S. has also been

accused of preventing access to improved grain varieties as a

political weapon against govern-ments of which it disapproves, such as Afghanistan and

three-week conference, which unanimously agreed a budget of

\$421m for administrative and

UN seeks plant breeding agreement

seed resources.

Nicaragau.

Indian sugar exports go over quota

By P. C. Mahanti in Calcutta

INDIA has concluded contracts for 700,000 tonnes of sugar exports so far this year, against an International Sugar Organinational airline. And, of course, sation quota of 650,000 tonnes. And 400,000 tonnes of the con-tracted quantity have already there is the ever present danger of corruption and instability. Here, again, there is a degree of responsibility on the western been shipped.

According to Mr P. C. Luthar, chairman of the state trading corporation, which is the only authorised agency to conclude sug. export deals, further efforts are being made to increase exports. Negotiations are being conducted with several importing countries including Algeria, Egypt, Sudan, Tunisia, Yemen and China.

Indian sugar output during the season ending in October totalled 7.5m tonnes against record harvests of 8.2m tonnes and 8.4m tonnes during the two previous seasons.

India's internal consumption is estimated at 6m tonnes annually. The country is carrying a huge surplus stock,

Reuter adds: India will hold a selling tender of 200,000 tomes of white sugar in London on November 30, an official of the State Trading Corporation

The proposed sale will be the first offer made of 1984 sugar and will be adjusted against an international export quota of 1m toppes which India has sought from the International Sugar Organisation.

• The U.S. Agriculture Depart-Exchange of seeds and plant ment said it had proposed a breeding information is carried rule that would allow U.S. manufacturers to import sugar outside the existing quota system to make polyhydric alcohol, an organic solvent used to produce some chemicals.
Under the proposal U.S.

Nicaragau. resolution is designed to Approval of the resolution strengthen this system. was one of the last acts of the U.S. officials said the undertaking made no allowance for manufacturers would be able to the rights of plant breeders, often private companies which buy sugar at world prices, which are currently about 8 biennial governing conference technical costs of agricultural invested heavily in research to and was approved by consensus. The move was first suggested rise from the previous two-year Reuter cents a pound, compared with the U.S. price of about 22 cents

will come from Belgium, Den-

BRITAIN WILL import more mark or the Netherlands, but

The association is urging its

to retail at between £1 and £1.20 per foot, so a five-foot tree will cost about £6. The total value of the retail market is about

BASE METALS

BASE-METAL PRICES were generally firmer on the London Metal Exchange despite the absence of any sizeable U.S. interest—New York markots were closed for the Thanksgiving Day holiday. Aluminium values surged shead in heavy trading as chartist buying triggered heavy short covering and litted forward Aluminium from an opening E1,054 to a high of £1,076.5 prior to a closing level of £1,073.5. Mickel rose in sympathy and closed at £3,187.5. Copper advanced to £995. boosted by the strength of Aluminium, but fell away on substantial Commission House sellints to close the late Kerb at £987.75.

COPPER Official - Unofficial -1

High Grde £ £ £

a.m. + or p.m. TIN Official — Unofficial

ZINC Official - Unofficial

Zinc—Morning: Cash 5577, three months 5593 50, 93, 92.50, 92. Kerb: Three months 5592. Afternoon: Three

months £592, 92.50. Kerb: Three months £592.5, 92, 91, 90. Turnover:

Aluminim: a.m. + or p.m. + or p.m. - of Official - Unofficial

\$\frac{\gamma}{2} \cdot \frac{\gamma}{2} \cdot \fra

ALUMINIUM

LEAD

ZINC

BASE METALS

It followed two days of sometimes stormy debate at FAO's

a.m. + or p.m. + or Official - Unofficial -t

"Cents per pound. ‡ MS per kilo.
† On the previous unofficial close.
Nickel — Morning: Three months
63,179, 80, 85. Kerts: Three months
F3,185, 90. Aftermoon: Three months
63,190, 93, 92, 90. Kerb: Three months
63,187, 90. Turnover: 1,704 tonnes.

Silver was fixed 4.05p an ounce lower for spot delivery in the London bullion market yesterday at 577.5p. U.S. cent equivalents of the fixing levels were: spot 847.5c, down 7.7c; three-month 867.1c, down 8.3c; sixmonth 831.9c, down 7.8c; and 12-month 931.9c. down 11.3c. The metal opened at 5809-583p (850-854c) and

opened at 580°+983p (890-894c) and closed at 579°+982p (849-853c).

SILVER Buillon + or LM.E. + or per troy o2. price Unoffic'!

The market was fairly active in a £12 range and ended the day on a firm note. Physical trading attracted light producer selling and limited consumer off-take, raports Gill and Duffus.

Sales: 4,391 (6,191) lots of 10 tonnes. ICCO—Indicator prices (U.S. cents per pound). Daily snce for Nov 23: 104.66 (102.87); five-day average for Nov 24: 102.15 (101.71).

During a quiet session early trade pressure created losses in nearby con-tracts, reports Draxel Burnhem Lambert, Dealer and commission house support

inted values from the lows and addi-tional trade buying ancouraged strength in moderate volume.

COFFEE Yest'day's + or Business Close | — Done

Sales: 2.907 (3,230) lots of 5 tonnes, ICO indicator prices (U.S. cepts per pound) for Nov 23: Comp daily 1979 138.46 (138.29): 15-day average 135.82

Business done—Wheat: Jan 120.05-20.00, March 123.00-2.95, May 128.00-55.90, July 128.85-8.80, Sept 114.00 only. Sales: 143 lots of 100 tonnes. Barley: Jan 119.25-9.10, March 122.25-2.05, May 124.05, Sept 111.70 only. Seles: 82 lots of 100 tonnes.

The markets remained around unchanged levels all day in quiet trading with bariey finding mixed support, reports Murrace.

WHEAT BARLEY

1222 1 1 2

LONDON GRAINS—Wheat: U.S. dark horthern spring No. 1 14 per cent Dec 137. Jan and Fob 138 transhipment cast coast sellers. English leed tob Fob 125 50 east coast seller. Marze: French Dec 145 50 east coast seller. Barley: English feed tob Dec 121 east coast soller. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: S. East 17.50, S. West 177.50, W. Mids 116.50. The UK monetary coefficient for the week beginning Monday November 28 is expected to change to 0.824.

POTATOES

£ per tonne

Feb..... 176.50 | 180.00 | 178.58-177.5 April.... 210.30 | 218.00 | 218.08-218.1 Blay.... 215.50 | 217.50 | 217.18-215.5 Nov.... 78.30 | 77.30 Feb.... 88.30 | 68.20 | -Sales: 504 (251) lots of 40 tonnes. RUBBER

The London physical market opened slightly steadler, stracted little interest throughout the day and closed uncertain, reported Lewis and Post. The Kuale Lumpur December (50 price for RSS No 1 was 353.5 (52.5) cents a kg and SMR20 221.0 (220.0).

No. I Yesterdy's Previous Business R.S.S. | close | close | Done

| Spot577.50p -4.65 578p -6 | Spot577.50p -4.65 578p -6 | Spot577.50p -4.65 592.5p -5.76 | Spot590.00p -4.55 592.5p -4.55 59

SOYABEAN MEAL The market opened about unchanged in this trading, reports T. G. Roddick. Prices sroded on mixed setting in quiet conditions due to the U.S. holiday.

Yestday's + or Business close | — Done

BREDS—Closs (in order: buyer, seller, business). New Zeeland cents per kg. Dec 406, 409, nil; Jan 407, 409, nil; Jan 407, 409, nil; Jan 407, 408, Mer 412, 414, 413; May 418, 421, nil; Aug 433, 435, 434; Oct 434, 438, nil; Dec 436, 433, nil; Jan 438, 443, nil; Mer 445, 450, nil; May 447, 454, ntl. Sales: 7.

MEAT/FISH

GRIMSBY FISH—Supply poor, demand good. Prices at ship's side (unprocessed) per stone: shell cod. 25.50-25.00. codlings £4.20-25.50: large haddock £5.00-26.70; skmned dogfish (medium £5.50: rockfish £2.50-23.70; rods £3.00-£4.00: saithe £4.10-£4.30. MEAT COMMISSION—Average latstock prices at représentative markets. GB—Cattle 89.16p per kg lw (+0.44). GB—Sheep 135.68p per kg est dow (+6.40). GB—Pigs \$1.57p per kg lw (+1.65). SMITHFIELD—Pence per pound.

(+1.65)
SMITHFIELD—Pence per pound.
Beef—Scotch killed sides 82.0 to 88.0;
Uister hindquarters 97.5 to 102.0.
Lamb—English small 80.0 to 65.0,
Declima 80.0 to 65.0 Tamb—Engitsh Shari O.3.0 150-05, medium 58.0 to 52.0, heavy 58.0 to 59.0; imported: New Zealend PL 59.3 to 60.5, PX: 56.5 to 57.5. Pork—English under 100tb 49.5 to 55.0, 100-120lb 49.0 to 53.5, 120-160lb 46.0 to 52.0.

INDICES FINANCIAL TIMES Nov. 24:Nov. 25,M'th ago,Y'ar ago 285,74 285,31, 288,71 232,42

(Bese: July 1 1962-100)

REUTERS Nov. 24 Nov.28 M'th ago Y'ar ago 1925,4 1917,4 1889,8 1564,6 (Base: September 18 1931=100) MOODY'S

Nov. 23 Nov. 22 M'th ago Yearago 1013.0 1010.1 1028.6 982.2 (Bess: December 3) 1974-100)

DOW JONES Dow Nov. Nov. Month Year Jones 25 22 ago ago Spot 155,20 152,98 156,46 122,54 Fut's 141,59 141,52141,90155,88

(December 31 1931-100)

COVEN I GARDEN-Frices for the

Barter deals for U.S. stockpile criticised

THE U.S. General Accounting Office said there appeared only limited potential for the Government to use barter to fill the national stockpile of strategic and critical materials, Reuter

nations. First, perhaps for denying them a build-up of responsibility, and then by cut-

There is no easy solution. One

cannot deny undeveloped coun

tries puenicillin and anti malarial medicine, nor force

their governments to institute

sensible farming policies based on national subsistence. Nor

can one deny them food aid-

although such a course might stimulate some to better efforts.

The only country which has contained. I would not say solved, the hunger problem is China, where by good farming, rigorous rationing and a considerable denial of liberty the huge population is kept in good health and adequately clothed. But for how long will this xis-

tion on access to plant research

was one of the most important results of the conference.

out informally by an FAO-based international board for plant genetic resources. The

ting the link too quickly.

reports.

In a report to the Senate armed services sub-committee on preparedness, the accounting office recommended that the office recommended that the services are disposals remained classified until invitations and disposals remained classified until invitations are disposal remained classified Government examined barter as part of its regular review of defence stockpile goals.

defence stockpile goals.

Agencies were permitted to barter, but restrictive laws had led to sparing use of the system. The office said. The stockpile contains 61 materials including strategic metals for defeated. the office said.

The main obstacle to the U.S. Agriculture Department's use of barter to rid itself of surplus dairy products was a provision requiring the national defence stockpile to reimburse the de-partment for the cost of materials for those needed strategic materials bartered for items, the report said.

the U.S. and available in those the U.S. and available in those Countries were more readily obtainable using cash, the office Guzyule as an alternative source added.

posed acquisitions in fiscal 1985 to 1988 covered 13 of the same 15 materials, plus two other Information on the materials

and associated quantities for acquisitions and disposals re-

yesterday for Thanksgiving Day.

etals for defence and indus trial uses.

The acquisition plan would be accomplished through cash purchases, barters of surplus agricultural commodities and

the department's goods.

Only China and Nigeria had expressed interest in bartering for U.S. dairy products but the stockpile materials needed by stockpile.

The General Services Administration for the past several months has been developing plans to acquire rubber for the stockpile.

added,
The Administration told Congress of proposed acquisitions of 15 materials for the national defence stockpile in the fiscal defence stockpile in the fis

year that began last month.

The Federal Emergency threat to foreign rubber production was unlikely to pose a competitive threat to foreign rubber producing countries, it added.

American cotton output likely to exceed demand

WASHINGTON—U.S. cotton before production is expected to exceed consumption in 1984-85, the U.S. Agriculture Depart. I, was 1 ment said. The department said con-

sumption was unlikely to rise in 1984-85, as a sustained large cotton textile trade deficit and competition with synthetic

fibres could limit further gains in mill use.

The department's report said the stock rebuilding phase of the current mill-use recovery had probably ended. U.S. mill use had failed to improve as fast as domestic con-

sumption. Mill use rose by about 10 per cent in the January-September 1983 period, while domestic consumption advanced by about 18 per cent. tive to polyester continued to erode cotton's share of the textile market.

It said cotton's share of total fibre mill use declined to 22.9 per cent in the third quarter of The U.S. Census Bureau said tomes, Deputy Commerce consumption of domestic and Minister Jlang Xi said in foreign cotton in the U.S. dur Peking yesterday. ing the four-week period to October 20 was 457,680 bales.

(August 28-October 1) and sion of cotton rationing because 413.875 bales used i athe four of the abundant harvest. weeks to October 30, the year Reuter

Consumption in the current season, which began on August I, was 1,489,698 bales compared to 1,275,650 bales used last sea-Average daily consumption

worked out at 22,884 bales this year, compared with a revised daily average of 22,393 bales in the previous five-week period and 20,794 bales in the for weeks to October 30 last year. Combined stocks of domestic and foreign cotton held in the U.S. at October 29 rose to 7,001,690 bales from a revised 6,363,656 bales four weeks earlier on October 1. However,

they were down from the 7,990,375 bales on the corresponding date a year earlier, the The report said increased demand for non-apparel textiles and rising cotton prices relative to polyester continued to

consisting of 4,619,226 sinnings of upland cotton and 24,617 of American pima. Ginnings from the last year's crop were 7,201,961 baies, and

per cent in the third quarter of 1981-crop ginnings totalled this year and was expected to average about 23 per cent for the whole year following afour.

• China's cotton output this the whole year, following afour vear will be 5 per cent above vear period with a 24 per cent last year's record of 3.6m

State purchases of cotton are expected to rise 10 per cut over The figure compares with a last year's figure of 3.45m revised 559,814 bales used in tonnes, he told the China Daily. China has announced suspen-

Financial Times Friday November 25 1983 CURRENCIES, MONEY and CAPITAL MARKETS **COMPANY NOTICES** 네이르 FOREIGN EXCHANGES FINANCIAL FUTURES ANGLO AMERICAN Dollar shows further rise **CORPORATION OF** Gilts retreat the Bundesbank closing the fix-ing session with a sale of \$5.05m. SOUTH AFRICA LIMITED ing session with a sale of \$5.05m. A high of DM 2.7085 was touched during the morning but there was insufficient impetus to push it through the DM 1.71 level. Sterling was higher at DM 3.970 from DM 3.936 while the Swiss franc improved to DM 1.2418 from DM 1.2399. The dellar continued to the French franc it closed at ever, at DM 3.97 from DM 3.96 improve in rather restricted FFr 8.2325 from FFr 8.20 and FFr 12.0575 compared with trading yesterday. Activity was finished at a record L1.637; from FFr 12.0425. Against the Swiss kept at a minimum due to the L1.630 in terms of the lira. It franc and yen it was unchanged closure of U.S. centres for was also higher against the Swiss at SwFr 3.1950 and Y344.5 has a fragile look about it, and the next set of UK money supply figures are expected to disappoint Preferred Stock signished at a record L1,637 from FFr 12,0425. Against the Swiss L1,630 in terms of the lira. It was also higher against the Swiss at SwFr 2,1725 and Y234.0 from Y234.40. STEERIANG — Trading range against the dellar in 1983 is 2,7315 to 2,3220. October average 1,4377. Trade weighted index 1,324 from \$3.5 at noon and \$3.4 at the opening and compared with \$3.4 on Wednesday and \$5.2 at mentiss aga. The pound has a title slightly against the dellar once with \$3.4 on Wednesday and \$5.2 at mentiss aga. The pound has a fulfied slightly against the dellar once in the his tended to move up in the his tended to his tended to his tended to his tended to his kept at a minimum one to me closure of U.S. centres for Thanksgiving Day. Some commercial orders helped to push the dollar to a record against the lira and the French franc although it lost ground to the latter before the close of business. Financial Futures Exchange yesterday. The mood was set by the National Institute of Economic and Social Research review suggesting that inflation will rise to 6‡ per cent by the end of next year, and that the Treasury's forecast of 3 per cent growth of national output this year and next is over-optimistic Sentiment in the market was depressed, and was also influenced by the weaker pound. the financial markets, FRENCH FRANC FRENCH FRANC — Trading range against the dollar in 1983 is 8.2475 to 6.8060. October average 7.9445. Trade-weighted index 68.7 against 69.7 six months ago. The French franc is comfortably placed within the EMS, helped by encouraging balance of payments figures and the first trade surplus for more than four years. It is however trading at record lows against latter before the close of business. It also moved above DM 271 squinst the D-mark but eased below the DM 271 level before the close of business. Sterling was unchanged overall but started to look a little fragile towards the end of the day after October's trade figures had shown a current account deficit of £269m compared with market expectations of somewhere around flat. finenced by the weaker pound against the dollar, and a firmer tone to Eurodollar interest rates. leaving a current accoun-balance of payments shortfall of £269m, compared with expecta It is also suspected that the December Eurodollars opened at 90.29, only slightly above the day's low of 90.28, and closed at 90.29, compared with 90.32 previously. flow of substantial dividend pay-ments supporting the market has now dried up, and that there is little incentive to push prices higher at a time when the pound around flat. DOLLAR — Trade weighted index (Rank of England) 128.8 against 128.3 six menths age. The dollar has been appreciating steadily recently, touching record levels against some consecutions. inancial worsies have tended to depress the D-mark. The dollar rose to a 14-week high at yesterday's fixing in Frankfurt. It climbed to the dollar rise to record levels but there was no sustained demand and the franc recovered slightly, helped by a stronger performance against the D-mark. The latter fell to FFr 3.0424 from FFr 3.0451. Sterling was higher to FFr 12.0520 from LONDON **CHICAGO** recorn levels against some envencies. Tension in the Middle East and other conflict areas is supporting the currency. In addition there are fears that a street in money supply will combine with heavy Government barrowing and initializaty presures associated with a street. **EMS EUROPEAN CURRENCY UNIT RATES** higher at FFr 12,0820 from FFr 12,0850. a in New York rom 7, change control editable rate divergent +2.42 +1.73 +0.38 +0.31 +0.98 +0.29 +0.17 -0.52 +0.34 -0.35 -0.31 -2.39 -2.39 barrowing and inflationary pressures associated with a strong economic recovery to prevent a further easing in Federal Reserve manutary policy. The dollar rose to DM 2.7085 from DM 2.8935 against the D-mark, having failed to sustain a best level of DM 2.7120. Against ±1.5447 ±1.6425 ±1.0642 ±1.4062 ±1.4064 ±1.6639 ±4.1506 Nov. 23 Previous Low 90.83 90.52 90.30 90.00 U.S. TREASURY BILLS points of 100% THE DOLLAR SPOT AND FORWARD THE POUND SPOT AND FORWARD Closs High Low Prev 90.56 90.58 90.54 90.58 --- 90.07 90.03 90.09 --- 89.68 89.63 99.70 --- 89.37 89.34 89.32 --- --- 77.70 77.70 77.85 3.95-3.97-188.60-89-10 228.00-228.20 2.397-2.389 10.997-11.00², 12.05-12.00², 11.68-11.67 244-345 27.92-27.97 3.19-3.20 Beigian rate is for convertible france. Financial franc 81.50-81.60, Ske-month forward dellar 0.45-0.50c dis. 12-month 1.00-1.10c dis. OTHER CURRENCIES Sterling U.S. \$ Canadian\$... Jnavell's 0,570154 63,4 128,8 92,2 115,2 89,9 79,0 125,0 125,0 114,9 66,7 49,3 153,9 27,80-26,10 81,25-88,05 . . REFINERIA DE PETROLEOS Austria Sch Belgian F-Danish Kr.... D spark Guilder 73% Bonds 1973/1988 U.S.\$15,000,000 ESE YEN Y125m \$ per Y100 EXCHANGE CROSS RATES Italian Lira Canada Dollar Belgian Franc

EURO-CURRENCY INTEREST RATES (Market closing rates) Yen | 83₂-91₄ | 83₂-91₄ | 91₂-10 | 91₄-93₄ | 10-101₂ | 101₂-105₆ | 101₄-103₅ | 101₂-105₆ | 101₂-103₄ | 101₂-103₄ | 12-1214 1215-1236 1215-1236 13-1236 13-13-14 14-14-14 1415-14-3 164-17 16-17 1669-1748 1719-1769 18-1849 1869-19

6,640 14,97

. 285.7 107.8

77,50 143,7

169,7

0,895 1,656

Asian \$ (closing rates in Singapore): Short-term \$1.0% per cent; saven days \$1.0% per cent; one month \$1.0% per cent; three months \$1.0% per cent; six months \$1.10 per cent; one year 101.10% per cent; long-term Eprodollar two years 11-11% per cent; three years 111.11% per cent; four years 111.12% per cent; five years 12-12% per cent nominal closing rates. Short-term rates are cell for U.S. dollars and Japanese year; others two days notice.

1	MONI	EY MA	RKETS		· -				· · · · · · · · · · · · · · · · · · ·
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•		ttle	cnan	ige in	UN	interest	lrau	F2	
• •						t Tressury bills at 81-			ity although

Frankfurt :

French Franc 10 Swiss Franc

Dutch-Guilder Italian Lira 1,000

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Interest rates were hardly changed in London yesterday in rather dull and featureless from the U.S. with the latter closed for Thanksgiving Day. In addition the Fed's decision to add reserves on Wednesday was not taken as a sign of any change in policy but more of a calming more over the holiday period. News of a UK trade and current

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UK clearing bank base lending rate 9 per cent... (since October 4 and 5) MONEY RATES

account deficit in October was somewhat outside market expectations. The three-month interbank rate was quoted at 9% per cent, unchanged from Wednesday while the buying rate on three-month eligible bank bills eased slightly to 8% per cent from 8% per cent.

Overnight interbank money opened at \$1.9 per cent and eased initially to \$1 per cent before coming back to \$1 per cent. Rates fell later in the day to around 7 per cent but rose on late demand to finish at 10 per

FT LONDON INTERBANK FIXING

171e-1778 1776-1774 1776-18 1774-18 6,50-5,55 5,70-5,80 6,25-6,26 6,25-6,40 6,30-6,40 8,5 181₆ 181₄-183₆ 181₄-183₆ 183₆-183₆ 183₆-181₈ 61g-614 614-68 95₄-87₈ 97₈-10 124 LONDON MONEY RATES Discount Houses Deposit and Bill Rates Local F Nov. 24 1985 71g-9 87g-9 ja 9 955 958 918 918 24-24 24-24 24-24 24-24 24-24 24-24 854-879 914 915 915 916 916 916 878 89-812 89--8월 8월 87 822.9 849 — Local Finance S Certs
Authority House of Deposits Deposits Deposits MONEY RATES 5 months ILS. dollars

One months. 95-96

Deposits Deposi Treasury Bills Two month Treasury Bonds

Paris Zurich Amst'dam

556-51g 634-518

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The table below gives the rates of exchange for the U.S. dollar against various indicative. They are not based on, and are not intended to be used as a currencies as of Wednesday November 23 1983. The exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units otherwise indicated. All currencies are quoted in foreign currency units of America NT & SA nor the Financial Times per one U.S. dollar except in certain specified areas. All rates quoted are assume responsibility for errors.

Bank of America, Economics Dept., EMEA London Eurodoliar Libor as of November 23 at 11.00 am 3 months: 9¹³16. 6 months: 10. SDR1 = U.S.\$1.05083 Sibor as of November 23 et 11,00 am 3 months: 9¹¹16. 6 months: 10 VALUE OF DOLLAR CURRENCY CURRENCY COUNTRY CURRENCY COUNTRY Afghani (0)
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a.a. Not available. (m) Market rate. *U.S. dollers per National Currancy unit. (o) Official rate. (c) Commercial rate. (f) Financial rate. (1) Israel: Devalued approximately 22 per cent October 11. (3) Ghana: Central Bank announced devaluation of approximately 90 8 per curr offactive October 11. (4) Philippines Peec now floating from October 5. (6) Venezuels: Three ties system has developed. This rate is for all essential imports. (8) Venezuels: Non essential import rate. (7) Venezuels: Floating rate for tourists. (8) Rwands: Franc now linked to the SDR at rate 102.71. (9) Costa Rice: November 11, Contral Bank unified the exchange rate. (10) Brazil: November 22, Brazil Central Bank devalued effective November 23.

For lutther information please contact your local branch of the Sank of America.

3

Standard Chartered Finance B.V.

US \$200,000,000 Guaranteed Floating Rate Notes 1994

Warrants to subscribe US \$150,000,000 111/2 per cent Guaranteed Bonds 1994 Guaranteed on a subordinated basis as to payment of principal and interest by



The Issue price of the Notes is 100 per cent. of their principal amount The issue price of the Warrants is US \$18 per Warrant entitling the holder to subscribe US \$1,000 principal of Bonds. The following have agreed to subscribe or procure subscribers for the above Notes and Warrants.

J. Henry Schroder Wagg & Co. Limited

Standard Chartered Merchant Bank

The Notes, the Warrants and the Bonds have been admitted to the Official List by the Council

Full particulars of the Company, the Notes, the Warrants and the Bonds are available in the Extel Statistical Service and may be obtained during usual business hours (Saturdays and public holidays excepted) up to and including 9th December, 1983 from the Brokers to the issue:—

Cazenove & Co., 12 Tokenhouse Yard, London EC2R 7AN,

INTERNATIONAL CAPITAL MARKETS

Mitsubishi \$100m bond finally comes to market

BY MARY ANN SIEGHART IN LONDON

MORGAN STANLEY and Nomura International finally launched their \$100m convertible Eurobond for Mitsubishi Heavy Industries yesterday. The deal has been rumoured for weeks, and market-makers have been trading it actively on a "when issued" basis.

The 15-year bond's coupon is an indicated 4% per cent and it will probably he priced at par. The likely conversion premium is 5 per cent Terms will be finalised on November 30. The bond seemed rea-sonably popular, trading at a discount of around 1 point.

Prudential Insurance of America's \$150m deal linked to AT&T stock has been given its final terms. The exercise price of the warrants, which enable the holder to buy 10 new AT&T shares and one share each of the seven regional compa-nies, has been fixed at \$752.5 per warrant (or \$75.25 per share). This represents a 15.3 per cent premium over Wednesday's closing price of the old AT&T shares.

showed few signs of life yesterday with the New York market closed

#**5gh** 102_017 1983 SwFr 100m through a five-to-sixyear private placement with an indicated 5% to 5% per cent coupon.

Nov 24 98.541

BHF Bank bond average

Swiss Bank Corporation will price the deal on November 29. Yamato Transport issued a SwFr 50m convertible private placement with an indicated 3 per cent coupon. The five-year bond will be priced by UBS next Thursday.

Yamamura Glass, the Japanese bottle maker, issued a SwFr 30m convertible private placement yesterday, also with an indicated 3 per cent coupon for five years. SBC will give the final terms on December 1. Prices of seasoned bonds close unchanged in Germany and slightly better in Switzerland

• The Japanese Ministry of Finance will allow Japanese corpora-The dollar secondary market tions to issue bonds linked to currency swaps from next April, Yoko with the New York market closed for Thanksgiving.

Exim Bank of Japan is raising the Euroyen market.

WORLD ECONOMIC INDICATORS

every Monday-Only in the Financial Times

These Securities having been sold, this announcement appears as a matter of record only.

U.S. \$75,000,000



Post- och Kreditbanken, PKbanken

12% Subordinated Notes Due 1990

75,000 Warrants to Purchase U.S. \$75,000,000 111/1/8 Subordinated Notes Due 1990

First Interstate Limited

Credit Suisse First Boston Limited

Post- och Kreditbanken, PKbanken

Chase Manhattan Capital Markets Group

attan Limited

LTCB International Limited

Morgan Stanley International

Daiwa Europe Limited

Bank of Credit and Commerce International (Overseas) Limited

Algemene Bank Nederland N.V.

Banque Bruxelles Lambert S.A.

County Bank Limited

Dresdner Bank Aktiengesellschaft

Kleinwort, Benson Limited

Manufacturers Hanover Limited

Orion Royal Bank Limited

Crédit Lyomais **IBJ** International Limited

Banque Paribas

Kidder, Peabody International Limited

Kredietbank International Group

Samuel Montagu & Co. Limited

S. G. Warburg & Co. Ltd.

Westdeutsche Landesbank Girozentrale

U.S. \$10,000,000



The Industrial Bank of Japan, Limited London

Floating Rate London-Dollar Negotiable Certificates of Deposit due 25th May, 1984

In accordance with the provisions of the Certificates, notice is hereby given that for the six month Interest Period from 25th November, 1983 to 25th May, 1984 the Certificates will carry an Interest Rate of 10% % per annum. The relevant Interest Payment Date will be 25th May, 1984.

Credit Suisse First Boston Limited Agent Bank

U.S. \$50,000,000

OSTERREICHISCHE LÄNDERBANK AKTIENGESELLSCHAFT

(Incorporated in the Republic of Austria with Limited Liability)

Floating Rate Subordinated Notes

Credit Suisse First Boston Limited Agent Bank



Creditanstalt

Crec itanstalt-Bankverein

U.S. \$40,000,000 F⁶ ating Rate Notes 1984

Notice is hereby given pursuant to the Terms and Conditions of the Notes that for the six months from 25th November, 1983 to 25th May, 1984 the Notes will carry an interest rate of 101% per annum. On 25th May, 1984 interest of U.S. \$51.82 will be

due per U.S. \$1,000 Note for Coupon No. 14. European Banking Company Limited (Agent Bank)

25th November, 1983

Due 1994

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 25th November, 1983 to 25th May, 1984 the Notes will carry an Interest Rate of 10% of per annum. The interest amount payable on the relevant Interest Payment Date which will be 25th May 1984 is U.S.\$260.68 for each Note of 118 \$5 000.

KANSALLIS-OSAKE-PANKKI

U.S. \$25,000,000

Floating Rate Capital Notes 1989

In accordance with the terms and conditions of the above mentioned notes, notice is hereby given that the rate of interest for the six months from 23rd November 1983 to 23rd May 1984 has been fixed at 101% per annum and the amount payable on coupon No. 4 will be USS26,225.69

Agent Bank Nordic Bank PLC

U.S. \$50,000,000 Midland International Financial Services B.V. (Incorporated with limited liability in the Netherlands) **Guaranteed Floating**

Rate Notes 1987 Guaranteed on a subordinated basis as to payment of principal and interest by

Midland Bank pic For the six months from

ember, 1983 to 25th Mey, 1984 the Notes will carry an interest rate of 10%s per cent, per annum. On 25th May, 1984 interest of U.S.\$52.14 will be due per U.S.\$1,000 Note for Coupon No. 14,

Agent Bank; Morgan Guaranty Trust Company of New York

IRELAND

U.S.\$75,000,000 ting Rate Notes due May, 1989/94 In accordance with the provisions of the Notes, notice is hereby given that the Rate of interest for the next lateres Period has been fixed at 101 per cent per annum. The Coupon Amounts will be U.S.\$260 52 for the U.S.\$5,000 denomination and U.S.\$13,026,04 for the U.S.\$250,000 denom will be payable on 29 May 1984, against surrender of Coupon

> urers Hanover Limited Agent Bank

Kingdom of Sweden U.S. \$110,000,000 Floating Rate Notes Due November 1988

For the six months November 23rd 1983 to May 23rd 1984 the Notes will carry an interest rate of 10%% of U.S.\$5245.14.

Bankers Trust Company, London Fiscal Agent

DOMESTIC MARKET AWAITS GOVERNMENT FUNDING

Hong Kong to issue debt

BY ROBERT COTTRELL IN HONG KONG

THE HONG KONG Government is Kong Government but which is a mainland China hotel project was ited debut as an issuer of debt in the domestic market. Available indications are that the Government is considering a funding exercise be of the order of HK\$1bn to nance the 1,154-bedroom Garden relating to expenditure on a specific capital project or group of projects; that the issue would probably be a substantial one; and that it may be forthcoming in a few months' time.

Analysts say that, while Hong Kong's long-term future is clouded with political uncertainty, issues of Hong Kong

Causis 10% 88 C.C.C.E. 11% 97

cal market in tradeable short-term commercial paper has already been be accommodated without resort to government borrowing is an open Hotels (Holdings), whose Mass Transit Railway Corporation, which is equity-owned by the Hong The largest-ever foreign loan for bankers and businessmen.

working on plans for its much awa- meant to operate with commercial signed in Hong Kong yesterday. A

HK\$2bn (U.S.\$256m). The prospects for government borrowing have been much debated

dollar denominated government pa-per would be well received, particu-per would be well received, particu-pear that government revenues had larly by local banks. The fleding lo-been hit by a fall-off in land sales. and that "whether this change can

syndicate of II banks, led by the Analysis say a digestible size for state-owned Bank of China, is lendan initial government issue might ing HKT/00m over 10 years to fi-Hotel in Guangzhou (Canton).

The hotel is a joint ventur ' project between Hong Kong and Chiby local analysts, who have seen successive budgets yield a deficit of HK\$3.5hn in fiscal 1982-83, and a projected HK\$3.2hn deficit in 1983-84. Sir John Bremridge, Hong Kong's Financial Secretary, said in bits Eshaurus budget reach fits both arms of the Guangzhou municipal secretary. ment Construction Company, are both arms of the Guangzhou municinal authorities. The Pearl River FICC is guaranteeing the loan.

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The Hong Kong partner in the project is a company called Garden Hotels (Holdings), whose shareholders include several prominent

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which is published monthly. The following are closing prices for November 24.

15 196¼ 187 +0¼ +1 15 103 103½ +8¼ +8¼ 15 186 186¼ +8¼ +8¼ 15 1927 103% -8¼ +0¼ 28 184 184¼ +0¼ +8¼ STRAIGHTS
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† Gally one practice makes supplied a price.

INVEST IN 50,000 BETTER TOMORROWS!

Straight Bonds: The yield to redemption of the said-price; the amount issued in its millions of currency units except for You bonds where it is in billions. Change on week .- Change over price a week earlier.

longing flate flotes: Descriptions in delians unless otherwise indicated. Con-pon above is established. C. date — Date had compan because effective. Spend — Margin above six-month offered rate (†† three month; 5 above mean rate) for U.S. delians. Cope. — current coupen. Co. yld — carrest yield.

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50,000 people in the United Kingdom suffer from progressively paralysing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown-HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH. -



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